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**NATIONAL ARCHIVES MICROFILM PUBLICATIONS**

Microfilm Publication M976

RECORDS OF THE DEPARTMENT OF STATE  
RELATING TO POLITICAL RELATIONS  
BETWEEN CHINA AND JAPAN, 1930-1944

Roll 10

1930-39

793.94/3610-3900  
Jan.-Feb. 1932



**THE NATIONAL ARCHIVES  
NATIONAL ARCHIVES AND RECORDS SERVICE  
GENERAL SERVICES ADMINISTRATION**

**WASHINGTON: 1975**



## NATIONAL ARCHIVES MICROFILM PUBLICATIONS

### INTRODUCTION

On the 96 rolls of this microfilm publication are reproduced the records from the decimal file of the Department of State, 1930-44, that relate to political relations between China and Japan. The records are mostly instructions to and despatches from diplomatic and consular officials; the despatches are often accompanied by enclosures. Also included in these records are notes between the Department of State and foreign diplomatic representatives in the United States, memorandums prepared by officials of the Department, and correspondence with officials of other Government departments and with private firms and persons. The State Department divided the decimal file into chronological segments to retire inactive records. This division has been maintained in this microfilm publication. The records for the period 1930-39 are filmed on rolls 1-88 and those for 1940-44 on rolls 89-96.

The Lists of Documents or "purport lists" filmed on rolls 345 and 346 (1930-39), roll 532 (1940-June 1944), and roll 628 (July-Dec. 1944) of M973 give brief abstracts of the documents reproduced in this microfilm publication and serve as a finding aid to the documents themselves. The arrangement of the entries on these lists generally corresponds to the arrangement of the documents in the file.

From 1910 to 1963 the State Department used a decimal system for its central files, assembling and arranging individual documents according to subject and assigning decimal file numbers. The decimal file consists of nine primary classes numbered 0 through 8, each covering a broad subject area. The records reproduced in this microfilm publication are in Class 7, political relations of states. Each country had been assigned a two-digit number. The country numbers assigned to China and to Japan, for example, are 93 and 94, respectively. Thus, documents bearing the file number 793.94 concern political relations between China and Japan.

When one or more digits follow the second country number, they represent a specific subject. This number, in turn, may be followed by a slant mark (/). In such cases the numbers after the slant mark were assigned to individual documents as they were accumulated on a specific subject. For example, a decimal file number taken from a document reproduced in this microfilm publication is 793.943/5. The number 3 following the country number for Japan (94) signifies that the subject is extraterritoriality, and the number after the slant mark indicates the number of documents on this subject.

## NATIONAL ARCHIVES MICROFILM PUBLICATIONS

The documents under one subject classification are generally in chronological order, coinciding with the assigned document number, which follows the slant mark. There are instances, however, when a document file number was not assigned until a date considerably later than the one on which the document was received.

In July 1944 the number after the slant mark began to reflect the date of the document instead of the number of documents; for example, a document dated November 20, 1944, would be numbered /11-2044. Documents dated as early as 1939 but not indexed until after July 1, 1944, also have been assigned date numbers.

Cross-reference sheets referring to related records under other subject classifications in the decimal file have been reproduced as they occur, and appropriate cross-reference notations appear in the Lists of Documents.

The file contains documents that were security classified by the State Department, as well as those received from and classified by foreign governments and other Federal agencies. Documents that have not been declassified are not available as part of this microfilm publication. The National Archives and Records Service (NARS) does not have authority to make reproductions of such documents available to searchers. Documents that remain classified have been removed from the file and replaced by a withdrawal notice that identifies the document and indicates the reason for its removal.

The records reproduced in this microfilm publication are part of General Records of the Department of State, Record Group 59, and are a continuation of the records concerning political relations between China and other states, 1910-29, which have been microfilmed as NARS M341.

In the same record group are several diplomatic correspondence series containing documents on relations between China and the United States. They are copies of instructions from the State Department to U.S. Ministers to China, 1843-1906 (rolls 38-43 of M77); notes to the Chinese Legation in the United States from the Department, 1868-1906 (rolls 13 and 14 of M99); despatches from U.S. Ministers to China to the Department, 1843-1906 (M92); and notes from the Chinese Legation in the United States to the Department, 1868-1906 (M98). Also related to matters concerning China are communications to special agents of the United States from the Department, 1852-86 (roll 154 of M77).

Several series of volumes contain material on relations between Japan and the United States. There are copies of instructions from the State Department to U.S. Ministers to

## NATIONAL ARCHIVES MICROFILM PUBLICATIONS

Japan, 1855-1906 (rolls 104-108 of M77); despatches from U.S. Ministers to Japan to the Department, 1855-1906 (M133); notes to the Japanese Legation in the United States from the Department, 1860-1906 (rolls 66 and 67 of M99); and notes from the Japanese Legation in the United States to the Department, 1858-1906 (M163). Also related to matters concerning Japan are communications to special agents of the United States from the Department, 1823-86 (rolls 152 and 154 of M77); and despatches from special agents to the Department, 1794-1837 (roll 10 of M37).

Despatches from U.S. consular officials in China and Japan before 1906 are available as separate microfilm publications for each post. Complementary to the despatches from consuls are instructions to consuls.

The method of arranging the diplomatic and consular series cited above was discontinued in 1906, when the State Department adopted the practice of filing incoming and outgoing correspondence, memorandums, and other documents by subject in a single numerical series. Information on documents relating to China and Japan for the 1906-10 period may be found through the use of card indexes and Lists of Documents in the National Archives of the United States. The Numerical File is available as microfilm publication M862.

Several series in the State Department decimal file, 1910-29, that relate to Chinese and Japanese affairs are available as microfilm publications. In Class 7 there are two series regarding Chinese affairs: one concerning political relations between the United States and China (M339) and the other concerning political relations between China and other states (including Japan) (M341); and two series regarding Japanese affairs: one concerning political relations between the United States and Japan (M423) and the other concerning political relations between Japan and other states (M424). Class 8, internal affairs of states, has records concerning internal affairs of China (M329) and internal affairs of Japan (M422). Additional documents are in the remaining classes of the State Department decimal file:

- Class 0. General. Miscellaneous.
- Class 1. Administration, Government of the United States.
- Class 2. Extradition.
- Class 3. Protection of Interests.
- Class 4. Claims.
- Class 5. International Congresses and Conferences. Multi-lateral Treaties. League of Nations.
- Class 6. Commerce. Customs Administration. Commercial Relations, Treaties and Conventions. Commercial and Trade Agreements.

## NATIONAL ARCHIVES MICROFILM PUBLICATIONS

In Records of Boundary and Claims Commissions and Arbitrations, Record Group 76, there are records relating to the Claims Commissions of 1858 and 1901 between the United States and China.

In Records of International Conferences, Commissions, and Expositions, Record Group 43, are records of several conferences in which the United States and Japan participated. There are records of the Washington Conference on Limitation of Armament, 1921-22, which met to consider the limitation of armaments and certain questions relating to Pacific and Far Eastern problems. There are also records of the Commission To Represent the United States at the Grand Exhibition of Japan, 1917. The exhibition was planned for 1912 but had been postponed, and the records relate mainly to the visit of U.S. Commissioners to Japan in 1908 and to their conferences with Japanese officials. Other relevant records in Record Group 43 are those concerning the Sino-Japanese Dispute, 1930-32 (documents gathered by Gen. Frank McCoy, U.S. representative on the Lytton Commission), those of the U.S. Element, Allied Council for Japan, 1946-52, and those of the Far Eastern Commission, 1945-51.

In Records of the Foreign Service Posts of the Department of State, Record Group 84, are records originally kept at U.S. diplomatic and consular posts. Among these are records of the U.S. Legation (later Embassy) in China, 1843-1945, and of the U.S. Legation (later Embassy) in Japan, 1855-1936, as well as those of various consular posts in those countries.

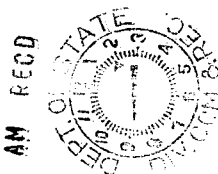
The records reproduced in this microfilm publication were prepared for filming by Ralph E. Huss, who also wrote these introductory remarks.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigson NARS, Date 12-18-75

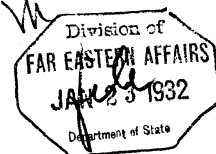


LEGATION OF THE  
UNITED STATES OF AMERICA  
Bangkok, Siam, December 14, 1931.

Serial No. -121-



RECEIVED



F/DEW

793.94/3610

SUBJECT: Japanese propaganda.

The Honorable

The Secretary of State,  
Washington.

Sir:-

I have the honor to transmit herewith a copy  
1/- of the OSAKA MAINICHI of November 20, 1931 which consists  
of a gravure special supplement in English and purports  
to be the first publication in English of details of  
historical events in Manchuria, Mongolia.

While it is not unlikely that the Department  
has already received a copy of this propaganda sheet it  
is transmitted for the purpose of comparison and more  
especially to show what copies of this paper are being  
circulated in Siam. The copy transmitted was left at  
the Legation by a messenger from the Japanese Legation  
although the envelope bore no evidence to show who was  
responsible for its distribution in Bangkok.

It

JAN 25 1932

FILED

Serial No. -121-

-2-

It is believed that this propaganda is designed to impress the European and American inhabitants in Bangkok with the Japanese side of the Manchurian question. It is perhaps through these that they hope to reach the officials of the Siamese Government for with a system of foreign advisers which extends to all important Siamese Governmental institutions the sentiments of the Western inhabitants in Siam is important. Moreover many of the higher officials in the Siamese Government are familiar with the English language.

6-3-41/ It is possible that this is distributed with a hope to stirring the Siamese Government to greater activity in protecting their trade with Siam. Especially as during the past three months an informal boycott has existed among the some two hundred thousand Chinese that make up the population of Bangkok and who are largely responsible for the distribution of Japanese products in this country. While the Siamese authorities have not recognised this boycott and have taken steps to assure the entrance of Japanese good on the same terms as those from other countries nevertheless the boycott is considered to be sufficiently effective to have an adverse influence on Japanese exports to Siam.

Respectfully yours,



DAVID E. KAUFMAN  
American Minister.

✓  
Enclosure:  
as stated.

File No.-800-

RE/LYNG.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By *Milton O. Quetchum* NADP Date 12-17-77

Enclosure in despatch No.-121-dated December 14, 1931.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

Enclosure in despatch No.-121-dated December 14, 1931.



# SUMMARY OF POLITICAL AND ECONOMIC

COMPIL

THE OSAKA CHAMBER OF C

193

## What Economic Interests and Privileges Has Japan in China?

### MANCHURIA, MONGOLIA AND JAPAN

#### Special Rights and Interests of Japan in Manchuria and Mongolia

The facts concerning our interests and privileges in Manchuria and Mongolia constitute a long story. Moreover, they are legitimate rights and have a vital bearing on the existence of our nation.

In order to understand the special footing of our country in Manchuria and Mongolia, it is necessary to retrace the relations between China and Japan that have existed since the Sino-Japanese War. After the war Japan obtained by the Shimonoeki Peace Treaty the cession of the region south of Newchwang and Haicheng in South Manchuria. But as a result of the intervention of the three Powers, Russia, Germany, and France, she had to return the region. But Dairen and Port Arthur, which China had taken back from Japan, were soon ceded to Russia. Russia was enabled to construct the Chinese Eastern Railway and China also concluded with Russia a secret treaty for offensive and defensive alliance against Japan. In 1900 at the time of the Boxer Rebellion, Russia despatched her army to Manchuria and occupied important places and even tried to invade Korea. In the midst of such a crisis jeopardizing the peace of the Far East, China remained indifferent and took no step. But to Japan the Russian advance toward the south meant the life or death of the country, and there was no choice but to fight, even risking the independence of the nation. Fortunately for Japan, she won. By virtue of the Portsmouth Treaty of 1905, Japan took over the Russian right to lease the Liaotung Peninsula and the right to the branch line of the Chinese Eastern Railway south of Kwang-chengtzau, and other rights. In December of the same year China recognized these rights by the Peking Treaty, and the extension and revision of this treaty was planned later by the Sino-Japanese Treaty of 1915.

At the time of the Russo-Japanese War, China had a secret agreement for offensive and defensive alliance with Russia, which in itself was enough to make Japan the lawful holder of South Manchuria south of Changchun, without troubling China to recognize the aforesaid rights there.

Japan, however, did not swerve an inch from the path of righteousness and was satisfied with no more than the guarantee of Manchuria against any further aggression of other Powers and the acquisition of a special economic position in Manchuria in return for the sacrifices she had made.

Since the Russo-Japanese War, Japan has done her best to maintain peace and to accomplish the peaceful development of Manchuria. The enormous amount of money invested there may be estimated at more than a billion yen, in consequence of which Manchuria has made great progress economically. Facilities for communications were introduced and the farm products increased. Manchuria is now considered the richest and most peaceful region in China. The population has increased during the past twenty years from five or six million to 30 million, more than a million immigrants per annum still pouring in steadily from China proper.

If Japan had not driven Russia out of Manchuria, Manchuria and Mongolia would today be in the possession of Soviet Russia. China would also be on the verge of national disintegration.

But China does not recognize Japan's interests as represented by her investment, blood, effort, and sacrifice. On the contrary, she endeavours to ignore the rights of Japan acquired by the treaties, resorting to unscrupulous measures, and is doing all she can to drive out Japan from Manchuria and Mongolia.

### PROBLEMS RELATING TO RAILWAYS

#### The South Manchuria Railway

The South Manchuria Railway was a section of the branch line of the Chinese Eastern railway from Harbin to Port Arthur and Dairen, the charter for which was acquired by Russia by the Russo-Chinese Treaty of March, 1898. The section south of Changchun was ceded to Japan by the Portsmouth peace negotiations (Articles 5 and 6 of the Manchurian Treaty, 1905). According to Article 12 of the Russo-Chinese Treaty concerning the management of the Chinese Eastern Railway of September 8, 1896, the same line can be restored to the Chinese Government on the payment of a certain price after 36 years counting from the day when the operation started (July 1, 1903). At the expiration of the period of 80 years, the railway line and all the property thereof were to be given up to the Chinese Government, but by the Sino-Japanese Treaty of May, 1915, the period of lease of the line was extended to 99 years and by the annex to the treaty it was stated that "the leasehold period of the South Manchuria Railway expires in the year 2002." The clause relating to the restoration of the line to the Chinese Government was struck out, and the right will remain valid for 71 years more.

The Antung-Mukden Railway, now a part of the South Manchuria Railway, but formerly a military light railway, was rebuilt in accordance with Article 6 in the Agreement annexed to the Sino-Japanese Treaty on Manchuria in December, 1905. This line, too, was to have been sold back to China according to the evaluation of a disinterested third person in 1923, but this period also was extended to 99 years by Article 1 of the Sino-Japanese Treaty of May, 1915, and according to the annexed public statement, the period of the lease expires in 2007 and so the right remains valid for 76 years more.

#### Agreements on Railway Rights

China by laying and operating lines parallel to the S.M.R. is violating the rights and interests of the Japanese railways. The right to lay railways is originally based upon the third chapter of the appendix concerning the lease of Port Arthur and Dairen concluded between Russia and China in April, 1898, which provides: "Russia agrees that though the terminus of the branch line of the Siberian railway may reach Port Arthur and Dairen, it shall not reach any other place on the shores of the peninsula and also both countries agree that no other Power shall obtain the right of laying a railway in the territories where the branch line is passing and it is not Russia's concern even if the extension of the Chinese Shanhaikwan railway may come near that branch." According to this treaty, the interests in the districts through which the branch line of the Siberian Railway, that is, the S.M.R., passes must not be handed over to a third party, and even China herself is allowed to lay only the Shanhaikwan Railway, or the present Peiping-Mukden line, in the vicinity of the S.M.R. This right which Russia possessed was completely taken over by Japan by Article 1 of the Sino-Japanese Treaty concerning Manchuria in 1905.

But the last part of the third article of the Russo-Chinese treaty somewhat lacking clearness in its meaning, Japan further provided in Article 3 of the agreement between China and Japan concerning Manchuria, in order to protect the interests of the S.M.R., that China before its restoration agrees that any parallel line or any branch line which may injure the interests of that railway shall not be laid, and this treaty is today still effective.

China does not regard this agreement as a regular treaty, but Japan's protest against the plan of laying the parallel line between Fakumen and Shinmintun was based on this agreement and the Chinese Government had at last to accept it. Then again, when she tried to cooperate with an American concern to build the Chinchow-Aigun Railway, the Sino-Japanese agreement prohibiting parallel lines was very effective, and China herself had to recognize the validity of this agreement. The building of the Ta-tung line, Shen-hai line, and Ki-hai line is clearly in violation of the treaty concerning Japan's special rights.

### LEASED TERRITORIES, CONCESSIONS AND FOREIGN TROOPS

#### Historical Background of Leased Territories

Although China had ceded the Liaotung peninsula by the Shimonoeki Peace Treaty following the Sino-Japanese War, she later succeeded in compelling Japan to return the peninsula through the intervention of three great European Powers, namely, Russia, Germany, and France. Later on, in March, 1898, Germany, captured Kiaochow on the pretext of the murder of a German missionary. In the same year, Russia leased Port Arthur and Dalny. Following the German and Russian examples, France secured Kwangchow Bay on the coast of Kwanghsi in April, 1898. Great Britain, too, leased Kowloon, on the opposite side of Hongkong, and Weihaiwei in June and July of 1898 respectively to counteract the Russian policy. The lease of Weihaiwei was stipulated to extend as long as Russia held Port Arthur and Dalny.

Later on, Russia became a menace to the peace of Asia through her aggressive foreign policy in Manchuria and even jeopardized the position of the Japanese Empire. At last, this culminated in the Russo-Japanese War, as an aftermath of which the Russian rights in Manchuria were transferred to Japan.

#### Leased Territory of Kanto

In accordance with Article V of the Treaty of Portsmouth, Japan acquired by transfer the leased territories of Port Arthur and Dalny (Dairen) from Russia, to which China gave her approval. Article III of the Sino-Russian Treaty on the lease of the Liaotung peninsula of 1898 provided that the lease might be extended by the agreement of both countries when it came to an end. The lease was to expire on March 26, 1923. But Japan obtained the extension of the lease for 99 years by Article 1 of the Sino-Japanese Treaty of May, 1915. Thus the period of the lease became the same as those for Kowloon by Great Britain, Kwangchow Bay by France, and Kiaochow by Germany. According to the Supplementary Official Note, the lease was to expire in 1997 and therefore it will be effective for 67 years more. China first tried to recover the leased territories at the Paris Peace Conference, to which no response was made on the part of the Powers. On December 3, 1921, however, China again requested the restoration of leased territories at the Far Eastern Committee meeting of the Washington Conference. According to the agreement reached at that time, Great Britain returned Weihaiwei in October, 1930, but she still holds Kowloon. France had declared her willingness to return Kwangchow Bay, but she has not carried out her promise yet.

#### The Railway Zone

The Railway zone in Manchuria is different from either leased territories or concessions in its nature. It is under the administration of the Japanese Government and the area of the zone is at present a little over 16 square Ri (1 Ri=2.44 miles). The railway zone came into existence by Article VI of the Russo-Chinese Treaty of August, 1896, which states:

"Land required for the construction, management and protection of the railway or land required for digging out gravel, stones, and coal shall, if owned by the government, be handed over to Russia free of charge by the Chinese government, and if owned by private individuals, shall be sold in accordance with the market price.

The company shall have an absolute right over those lands and no taxes of any kind shall be levied on any of the company's income or wages, etc."

Japan has obtained the above right by transfer in accordance with Articles I of the Sino-Japanese Treaty of 1905 on Manchuria. The general administrative authority in connection with civil engineering, education, and sanitation are entrusted to the South Manchuria Railway. At present, there are about 91,000 Japanese and no less than 290,000 Chinese residing in that district.

With the view of maintaining the security of lives and pro-

### JAPAN'S RIGHT TO LEASE LAND AND OTHER RIGHTS; CHINA'S VIOLATIONS OF THESE RIGHTS

#### Foundation of the Lease Right

Japan's lease right in Manchuria and Mongolia is based upon "the Treaty Relating to South Manchuria and Eastern Mongolia." In Article 2, it is stated, "the subjects of Japan have the right to lease land necessary for the construction of commercial or industrial buildings or for engaging in agriculture." Also in the supplementary document the right is confirmed as shown by the following clause: "The term 'lease' covers a period of 30 years and includes also the right of renewal without condition."

Renewal without condition means practically the ownership of land. It is provided: "No matter whether the other party wishes renewal or not, the lease right remains valid without requiring either any step for the conclusion of new agreements or the payment of any price."

The right is definitely stipulated in the treaty, but in reality it is mostly infringed upon by the Chinese authorities.

#### Presidential Ordinance Interfering with the Lease Right

The former Peking Government promulgated the Traitor Punishment Ordinance by order of the President, according to which any person who privately makes an agreement with a foreigner and injures the national right shall be considered a traitor and be punished with death. The wording of the ordinance is somewhat vague, but in meaning it is clear that any one who makes a contract of lease in accordance with the treaty shall be put to death. For the enforcement of this law, the delay of half a year was asked, during which period China formulated regulations and interfered with the lease of land. The Chinese Government is still pursuing this policy. - Owing to this hostile attitude of the Chinese authorities, the land and business management of Japanese residents has completely failed.

#### Pressure Upon the Industrial Rights

The right of the Japanese to engage in industries in Manchuria is fully recognized by the Japan-China Treaty of 1915. However, the oppression of the Chinese authorities is such that various lines of industries are destined to gradual decay.

In the case of the Manchurian Spinning Company, which is a Japanese corporation, for example, the Chinese authorities, in order to protect the products of the Mukden Spinning Mill, which is a Chinese corporation, have heavily taxed the former's products without recognizing the privilege for the exemption of tax previously obtained from the Peking Government by the Manchurian Spinning Company. Also, they have tried to undermine the business of the South Manchurian Sugar Company by holding up its supply of raw materials. The North Manchurian Electric Company in Harbin, one of the most influential Japanese enterprises in North Manchuria, used to supply electricity quite widely in Harbin and vicinity. But the Chinese have now established their own electrical works with a capital of ¥4,000,000, in co-operation with the officials of Kirin Province. As a result, they have now their own 5,000 kilowatt power station, and have confiscated the franchise for building a tramcar line from the North Manchurian Electric Company and are even trying to deprive the electric light business of its rights. The Chinese authorities also resort to police persecution to force subscribers to change the source of their electric light supply.

### ANTI-JAPANESE AGITATION AND EDUCATION

#### Principal Events of the

1. The Tatsu Maru Incident.  
This began with the protest lodged Tatsu Maru in March, 1903, and ended

2. The Antung-Mukden Railway Incident.  
In 1909 from August to October, Manchuria was vigorously carried out. The with the rebuilding of the railway bet

3. Sino-Japanese Parley Incident.  
At the time of signing the Sino-Japan against Japanese goods was first started in October.

4. Shantung Problem.  
Owing to the unfavorable settlement Peace Conference in 1919, a great anti-over China on the National Humiliat December.

5. The Recovery of Port Arthur and Dairen.  
The boycott against Japan, started recovery of Port Arthur and Dairen in The centre of activity was in central relations with Japan was finally declare

6. The May 30 Incident.  
The May 30 incident, so called because from a strike of Chinese laborers at a nation-wide strike and the boycott of localities.

7. The Shantung Incident.  
Owing to the outrages in Nanking Japan dispatched troops to Shantung in there; as a measure of protest against th of Anti-Japanese goods in many places.

8. Tsinan Incident.  
The dispatch of troops in 1928 to pr gave rise to the Tsinan incident. A sy the Anti-Japan Society was formed and were conducted unscrupulously.

9. Wanpaoshan Incident.  
This incident was due to the dispute the rice-fields of Korean farmers at Wan A retaliatory riot of the Koreans again place. Anti-Japanese societies were org in the middle of July, to agitate again

10. Manchurian Affair.  
The self-defensive action of the Ja Manchuria according to the Sino-Japan destruction of some lines near Mukden the 18th September, 1931 by the Chines Anti-Japanese movement throughout C conducted by the Kuomintang (the Ch a boycott, but may be called a war w

#### Economic Blockade

The cases of Anti-Japanese Items 1 to 5 are political in origin measures. China resorted to th Japanese goods. The Chinese, no and non-purchase of Japanese policy for the avoidance of : cited in Item 5. The methods.

1) Prohibition of supply of ra sal of Japanese employees in Ch the Chinese in Japanese employ the Japanese banks and non-use

This caused directly or ind Chinese trade, inactivity of J

But China does not recognize Japan's interests as represented by her investment, blood, effort, and sacrifice. On the contrary, she endeavours to ignore the rights of Japan acquired by the treaties, resorting to unscrupulous measures, and is doing all she can to drive out Japan from Manchuria and Mongolia.

[illegible]

Investment through loans	238,062,342	yen
Investment through corporate enterprises	1,135,351,929	
Investment through personal enterprises	94,991,560	
<b>Total value</b>	<b>1,468,405,831</b>	
<b>Classification of enterprises</b>		
Transportation	\$22,303,999	
Manufacturing industry	105,620,605	
Commerce	117,752,987	
Electricity and gas	37,054,558	
Financial operation	204,338,826	
Insurance business	325,000	
Agriculture and forestry	23,310,822	
Mining	99,785,887	
Enterprises not otherwise recorded	57,913,147	
<b>Total value</b>	<b>1,468,405,831</b>	

Country	EXPORTS (HK. Tls.)		
	1950	1959	1958
Japan	98,485,990	114,717,334	107,517,682
Korea	2,614,117	2,426,727	3,433,780
Hongkong	5,173,756	5,501,593	5,823,955
British India	9,937	7,839	4,000
Dutch Indies	6,083,012	7,037,951	6,204,272
Russia (Pacific Coast)	310,201	635,828	103,279
Other Asiatic Countries	2,480,633	2,477,226	2,261,350
Britain	10,131,302	12,159,656	13,509,018
France	881,290	1,068,642	1,034,905
Netherlands	34,727,721	29,703,478	16,262,558
Belgium	1,636,535	321,950	232,776
Germany	3,279,591	1,315,730	1,560,163
Sweden	195,385	401,710	194,301
Italy	663,174	4,881,722	5,365,661
Other European Countries	435,099	192,319	89,720
Canada	306,428	435,287	62,532
U. S. A.	6,180,483	9,990,426	6,760,480
Other American Countries	76,700	150,391	546,495
Africa	—	—	—
Australia	2,553	15,492	273,044
Other Countries	9,134,347	34,919,553	17,118,664
<b>Total</b>	<b>182,943,354</b>	<b>237,801,064</b>	<b>188,359,876</b>

China does not regard this agreement as a regular treaty, but Japan's protest against the plan of laying the parallel line between Faku-men and Shinnimintun was based on this agreement and the Chinese Government had at last to accept it. Then again, when she tried to cooperate with an American concern to build the Chinchow-Aigun Railway, the Sino-Japanese agreement prohibiting parallel lines was very effective, and China herself had to recognize the validity of this agreement. The building of the Ta-tung line, Shen-hai line, and Ki-hai line is clearly in violation of the treaty concerning Japan's special rights.

lines added, the total distance is 991 kilometers. Furthermore it is said that the Chinese plan to envelope the S.M.R. lines on quite a large scale and the tentative lines already announced involve 55 lines altogether. With such plans in addition to the completion of Hulutao harbor, China seems to intend to undermine the whole foundation of Japan's rights and interests in Manchuria.

These practices, China has contended, have been carried on in defiance of China's sovereignty. However, having witnessed deplorable incidents at Nanking, Hankow, and Tsinan and having taken into account that China is not yet free from internal strife, the maintenance of foreign troops is considered indispensable for safeguarding lives and property of foreigners and for protecting commerce. China also looks upon foreign warships freely frequenting the Chinese coast and interior waters as a practice in defiance of China's sovereignty. However, this practice is still considered necessary and it cannot yet be dispensed with, due to the chaotic conditions in China.

It was during June, 1931, that China insisted on the removal of the dam work on the Ilung River of Wampaoshan and forced the Korean farmers to sow seeds dry, but Japan insisted that as the Koreans were not accustomed to sowing seeds dry, it was impossible to follow this practice. It was also pointed out that already the seeding time had passed and that wet sowing should be allowed. This state of things gave rise to the Wampaoshan Incident. As a matter of fact, the persecution of the Koreans in Manchuria by the Chinese authorities has been notorious and intolerable. At present, though the exact number of the Koreans in Manchuria cannot be ascertained, it is estimated at more than 800,000, of which 99% is engaged in agriculture. These Koreans leased paddyfields from the Chinese land owners, but during the past few years, the Chinese authorities have prohibited the lease of land to the Koreans and merely recognized the hire contract. Thus entirely depriving the Koreans of their rights of independent farming many secret orders restricting the dwelling of the Koreans have also been issued, and during the year 1928, deportation orders were issued in more than four hundred places.

Of more than 500 anti-fore  
Anti-Japanese. (1) Japan's ag  
(2) Japan's methods of invading  
invasion of China; (4) Japanese  
which China should adopt towar  
but falsely stated. In addition  
publications.



# RELATIONS BETWEEN JAPAN AND CHINA

ED BY

## COMMERCE AND INDUSTRY

31

### How Does China Violate the Treaty Rights of Japan?

#### ANTI-JAPANESE AGITATION

##### Anti-Japanese Agitation

Japan concerning the seizure of the Japanese cotton mill in Shanghai, and the agitation was started in connection with the movement for the boycott of Japanese goods in Man-

antung and Mukden.

ese treaty in May, 1915, the agitation at Hankow spreading all over China

of the Shantung problem at the Paris Peace Conference was started all over China on May 7 and continued till

Dairen.

in connection with the movement for the boycott of Japanese goods in Man-

of its origin on May 30, 1923, started Japanese cotton mill in Shanghai, and the agitation was started in connection with the movement for the boycott of Japanese goods in Man-

and Tsinan, the Tanaka ministry of 1927 to protect the Japanese nationals in this step, China conducted the boycott

protect the Japanese nationals at Tsinan systematic Anti-Japanese organization, campaigns against Japanese goods

over the right of using river water for the Japanese cotton mill in Shanghai, and the agitation was started in connection with the movement for the boycott of Japanese goods in Man-

Japanese troops, which are stationed in the South Manchuria Railway on the army has given rise to a vehement agitation against the Japanese Government party, and is not about resorting arms against Japan.

##### Against Japan

agitation as cited above in the Japanese cotton mill in Shanghai, and the agitation was started in connection with the movement for the boycott of Japanese goods in Man-

materials to Japan; 2) Dismissal of Japanese firms; 3) Withdrawal of Japanese paper money. The decrease of Japan's shipping business in China,

#### PROBLEMS OF CONSOLIDATING LOANS

##### Brief History of China's Foreign Loans

Since the Sino-Japanese War and the Boxer Rebellion, China has been incessantly subjected to internal strife and commotion, and the national finance has been extremely distressed. Naturally the raising of loans was deemed the best measure by both the central and local Governments for extricating themselves from financial difficulties. This policy was recklessly carried out, and at last the foreign loans accumulated to the huge amount of 2,000,000,000 Yuan. During the year 1923, the Loan Consolidation Committee was appointed, comprising many financial leaders, both native and foreign, and also the representatives of the Four Power Loan Syndicate, in order to effect a thoroughgoing investigation and consolidation of these loans with the officials of the Chinese Government. However, the difference between the amount of loans shown by the Chinese Government and that shown by the creditor countries was too wide and no agreement was reached in these negotiations.

Later, however, in pursuance of the Nine Power Treaty of the Washington Conference, the International Conference of Chinese Customs was convened, and it was definitely recognized that the imposition of a 2½% additional duty on the import duty was to be made and many Conferences were held by the interested countries for discussing the use of the proceeds. Consequently, during May, 1929, the appendix to the Japan-China Customs Convention was signed, which provided that 5,000,000 Yuan should annually be transferred from the above proceeds to the redemption fund, and, though the payment of the principal and interest of both domestic and foreign loans, which are secured by the customs duty, has been effected, this payment being placed under the control of the Inspector General of the Customs, the remaining foreign loans have been deplorably neglected. This is especially the case with such loans as the so-called Nishihara Loans; the national Government does not even recognize their existence, and the Ssu-tao Railway Loan and the Tao-ang Railway Loan have also been entirely neglected.

##### Principal Facts of Nishihara Loans

The first Nishihara Loan of Japan was contracted by the Chinese Government, its Communication Department taking the principal part during September, 1917, in order to meet pressing financial needs. This loan, which amounts to ¥20,000,000 was raised by the Bank of Communications of China through the intermediation of Mr. Kamezo Nishihara and up to September, 1918, during the short period of one year, loans accumulated to the large sum of ¥145,000,000. However, due to non-payment of both the principal and interest, the Japanese banks accepting these loans were greatly distressed. Consequently, during the fifty-first session of the Japanese Imperial Diet (1926), the law of consolidating the Nishihara Loans was passed and the Japanese Government took over the loans from the banks.

The particulars of the above loans are as follows:—

Ki-pei Forestry Mining Loan	¥ 30,000,000
War Fund Loan	¥ 20,000,000
Bank of Communications Loan	¥ 20,000,000
Two Shantung Railway Loans	¥ 20,000,000
Four Mongolia and Manchuria Railway Advances	¥ 20,000,000
Flood Relief Loan	¥ 5,000,000
Telegraph Installation Loan	¥ 20,000,000
Kihui Railway Loan	¥ 10,000,000
Total	¥145,000,000

In addition to the above, there is a considerable amount of loans excluded from the consolidation program due to the reason that China does not acknowledge the debts under the pretext that these loans are not secured by any mortgage.

As the matter stands now, in the First International Conference which was convened during November, 1930, even the items of loans to be fixed in the consolidation draft had to be left unsettled and have so remained up to now. At any rate, Japan has loaned by far a greater amount to China as compared with other foreign countries and has indeed a vital concern in

#### TREATIES AND REGULATIONS GOVERNING FOREIGN ENTERPRISES IN CHINA

##### Japanese Rights of Industrial Enterprise

The future development of industries in China under Japanese control was anticipated by the Japanese Government and the Shimonoeki Treaty was concluded in 1895. Thus the following clause was inserted in the treaty:—

"Japanese subjects shall be free to engage in all kinds of manufacturing industries in all the open cities, towns, and ports of China, and shall be at liberty to import into China all kinds of machinery, paying only the stipulated duties thereon."

"All articles manufactured by Japanese subjects in China shall, in respect of inland transit and internal taxes, duties, charges and exactions of all kinds, and also in respect of warehousing and storage facilities in the interior of China, stand upon the same footing and enjoy the same privileges and exemptions as merchandise imported by Japanese subjects into China." (Article vi, part 4)

Again, by the conclusion of the Sino-Japanese Commercial Treaty in 1896, the following provisions were agreed upon:—

"Japanese subjects may, with their families, employees, and servants, frequent, reside and carry on trade, industries and manufactures, or pursue any other lawful vocations in all the ports, cities, and towns of China, which are now, or may hereafter be, opened to foreign residence and trade. They are at liberty to proceed to or from any of the open ports with their merchandise and effects, and within the localities at those places which have already been, or may hereafter be, set apart for the use and occupation of foreigners, they are allowed to rent or purchase houses, rent or lease land, and to build churches, cemeteries, and hospitals, enjoying in all respects the same privileges and immunities as are now, or may hereafter be, granted to the subjects or citizens of the most favoured nations."

"The Japanese Government recognizes the right of the Chinese Government to tax with discretion the goods produced by Japanese nationals in China provided that the said taxes should not be different from or more than those imposed on the similar goods produced by the Chinese nationals" (Supplementary Treaty, Article iii).

##### Restriction of Japanese Rights of Industrial Enterprise

###### (A) Geographical Restrictions

Although China recognized Japanese rights of industrial administration in open ports by the Shimonoeki Treaty of 1905, Great Britain among other Powers was particularly dissatisfied with the areal limitation placed on the industrial administration rights. With the view of extending its application to all parts of China, Great Britain demanded their extension when she concluded the Anglo-Chinese Revision Treaty in 1902—known as the MacKay Treaty. The Chinese Government, still clinging to her traditional policy, did not concede to the British demand, and no change has yet been made. China expressed her intention of prohibiting foreign industrial and manufacturing undertakings in the ports opened for foreign trade, apart from open ports. In short, the ports opened for foreign trade are for commercial purposes only. There are twenty-four ports opened for foreign trade including such places as Woosung, Tsinwangtao, Santiao and Tsinan (among twenty-four, nine ports have not been yet opened).

Within recent years, however, China set a novel example with regard to Tsin-tao (Kiaochow). Due to the existence of foreign-managed industries, which had previously existed, China treated the said district as an exception and allowed those industries to remain as before.

###### (B) Limitation of Japanese Investments

Previous to the MacKay Treaty, any joint-capital business under Chinese and foreign management had been prohibited. But by the MacKay Treaty China recognized the right of Chinese to own shares in British companies and vice versa. The same principle was recognized regarding Japan in 1903.

According to the present Chinese Corporation Laws, the fundamental principle is that there should be no distinction with regard to the nationalities of employees in Chinese companies and of shareholders. Therefore, at first sight, it looks as if there were no limitation or restriction placed on foreign investments. But, should Chinese companies be located outside of open ports, foreign investment has to come under a limitation somewhat analogous to the areal limitation as stated above.

Moreover, enterprises or trading concerns and banks of special nations are subject to various limitations. For instance, the mining industry belongs to the category of special enterprises. In this industry, the amount of foreign capital is not allowed to exceed one half of the entire capital. In the case of iron mining and those mining industries which come under the provisional regulations governing small mines, no foreign capital can be invested. The same applies to the fishing and salt industry under governmental protection. Foreigners cannot become shareholders of the China Merchants S. N. Co., Peking Company, Bank of China, Bank of Communications, and Bank of

#### EXTRATERRITORIALITY (Consular Jurisdiction)

##### Historical Background of Extraterritoriality

The origin of extraterritoriality—the privilege granted to foreigners in China of being exempted from the laws of China and of enjoying the rights and privileges of their respective countries (also called Consular Jurisdiction System)—dates back to the exchange of notes between the British and Chinese delegates after the conclusion of the treaty of Nanking in 1842.

Extraterritoriality was granted for the first time by the subsequent Anglo-Chinese Supplementary Treaty concluded in 1843. Since then, the other treaty Powers have, at various times, secured the same privileges. And it is obvious that the Powers did not secure extraterritoriality by forceful compulsion.

To the foreigners residing in China, extraterritoriality is a system by which their lives and property are safeguarded, but to the Chinese, it is an encroachment on China's territorial sovereignty. The Chinese Government has therefore been demanding the abolition of extraterritoriality. In the Sino-British Treaty of 1902 and Sino-Japanese and Sino-American Treaties of 1903, it is stipulated that extraterritoriality shall be abolished upon complete legislative reform on the part of China. Again, at the Washington Conference of 1922, a resolution was adopted as to the abolition of extraterritoriality, which resulted in the meeting of the investigating committee composed of representatives of the Powers at Peking in December 1925. The result of the committee meeting reported in July of the following year was the conclusion that the time was not quite ripe for the immediate relinquishment of extraterritorial jurisdiction in view of the unsatisfactory nature of China's legislation, court and police systems.

##### Status of Each Power

Since the establishment of the National Government, particularly in recent years, China has been earnestly requesting the Powers to give up their extraterritorial rights.

China has succeeded in having the consular jurisdictions of Germany, Russia, and a few minor Powers removed. She induced Austria to promise abolition by the treaty of 1925. Belgium, Italy, Portugal, Denmark, and Spain realized that the time was not ripe yet in China for the removal of extraterritoriality at the Committee meeting of 1926, but the National Government induced them to accede to the following clause, effective from January 1930:—

"The citizens of either of the contracting Powers residing in the other's country shall obey the laws and jurisdictions of such country." However, due to the most favoured nation clause, this has not been put into practice yet.

Similar agreements relating to the abolition of extraterritoriality were concluded in April, 1931, between Dr. C. T. Wang, the Chinese Minister of Foreign Affairs, and the Dutch Minister and also the Norwegian Minister. But in the case of the Sino-Dutch agreement, it does not bind the Netherlands until other Powers recognize it, because of the provisions of the most favoured nation clause.

##### Present Conditions in China

During 1926 the International Committee on the Abolition of Extraterritoriality made the following recommendations to the Chinese Government:—

#### FOREIGN TRADE & COASTAL TRADE

##### China's Foreign Trade Direct Imports (Gross)

Country	1921		1930	
	HK. Tls.	Percentage	HK. Tls.	Percentage
Japan (including Formosa)	210,359,237	22.55%	327,164,867	24.63%
U.S.A.	175,789,652	18.85%	232,405,941	17.50%
Hongkong	231,138,080	24.78%	218,369,933	16.44%
British India	35,380,635	3.79%	132,168,471	9.95%
Great Britain	149,935,615	16.07%	108,257,932	8.15%
Germany	—	—	69,105,357	5.20%
Dutch Indies	—	—	48,360,659	3.64%
French Indo-China	—	—	28,181,664	2.12%
Belgium and Luxemburg	—	—	27,456,827	2.07%
Other Countries	130,247,121	13.96%	136,760,335	10.30%
Total	832,850,340	—	1,328,231,866	—

##### China's Foreign Trade Direct Exports (Gross)

Country	1921		1930	
	HK. Tls.	Percentage	HK. Tls.	Percentage
Japan (including Formosa)	172,110,728	28.63%	216,555,242	24.20%
Hongkong	152,875,077	25.43%	158,018,135	17.66%
U.S.A.	89,541,816	14.89%	131,880,076	14.74%
Great Britain	30,913,956	5.14%	62,619,051	7.00%
Russia and Siberia	22,865,428	3.80%	55,413,027	6.19%
Netherlands	—	—	44,943,678	5.02%
Korea	15,097,250	2.51%	44,174,507	4.94%
France	23,945,151	3.98%	42,699,749	4.77%
Germany	—	—	23,361,413	2.61%
Turkey, Persia, Egypt, etc.	17,276,661	2.88%	22,150,223	2.48%
Singapore, Straits, etc.	19,461,388	3.24%	19,176,640	2.14%
Other Countries	57,168,082	9.50%	73,801,653	8.25%
Total	601,255,537	—	894,843,594	—

##### China's Trade with Japan (Including Formosa, but not Korea)

Year	Export to Japan	Import from Japan
1917	105,773,819	221,666,691
1918	163,394,092	238,858,578
1919	195,006,032	246,940,997
1920	141,927,902	229,135,866
1921	172,110,728	210,359,237
1922	159,754,351	231,428,855
1923	198,517,346	211,024,297
1924	201,175,926	234,761,863
1925	186,337,037	299,755,611
1926	211,740,889	336,909,441
1927	208,838,810	293,793,760
1928	228,602,453	319,293,439
1929	256,428,320	323,141,662
1930	216,555,242	327,164,867

##### Tonnage of Vessels Engaged in the Carrying Trade to and from Foreign Countries and Between the Open Ports in China

Country	1921		1930	
	Tonnage	Percentage	Tonnage	Percentage
British	42,326,445	36.93%	57,246,927	36.79%
Japanese	31,738,783	27.69%	45,630,705	29.33%
Chinese*	31,791,479	27.74%	29,199,170	18.77%
American	4,510,901	3.93%	6,490,351	4.17%
German	—	—	4,245,842	2.73%
Norwegian	—	—	4,218,277	2.71%
Dutch	—	—	8,947,088	5.18%
Other Flags	4,251,936	3.71%	5,227,600	3.35%
Total	114,619,544	—	155,605,954	—

\* Including Junks entered and cleared at the Maritime Customs.

##### Coastal Trade Right

Though nothing is mentioned about the coastal trade right of foreign vessels in the Nanking Treaty of 1842 between Great Britain and China, the Chinese Government gave implicit consent

## Against Japan

agitation as cited above in  
n, but were treated as economic  
e boycott and non-purchase of  
being satisfied with the boycott  
goods, adopted in 1923 a new  
policy relations with Japan as  
adopted are as follows:

1) Withdrawal of Japanese materials to Japan; 2) Dismissal of Japanese firms; 3) Withdrawal of Japanese paper money. 4) Non-deposit of money in Japanese banks. 5) Discontinuation of Japanese shipping business in China, and of Japanese markets, and of Japanese goods. In addition, some Japanese firms in Central China were compelled to leave the country by the severance of economic relations with Japan in strikes against foreigners. The Anti-Japan Society was organized, and the Kuomintang (the Government) organization, and its branches in various parts of China, were directed by the Kuomintang of the Anti-Japan Society, the details of which are as follows:—

As for anti-imperialism in theory, and as an expression of patriotism. It is an expression of local Anti-Japanese sentiment, quite unlike the temporary movement is not carried on in the organized movement organized by some rowdies who aim at promoting a national movement.

## Tariff and Discriminating Rates

3 to the Customs Agreement in 1930 definitely states that trade duty, transit duty and all advancement of foreign trade, are no such step has yet been taken the products of Chinese cotton various duties by the use of a is obtainable from the Treasury Government by paying a certain products of Chinese and Japanese lar payment have to meet heavy

ght rates are charged on Japanese Railways. For instance, the lines quote different rates for charging specially high rates for foreign elements; Chinese cotton as 2nd class, while those of Japanese are higher than the former. In the same category, and all only the lines around Shanghai enforcing these discriminating by Department of the National Railway charges exorbitant rates on articles manufactured in Japanese

## These Education

ernment, which has adopted a has been using Anti-Japanese public schools and high schools with Japanese movement till Japan treaties, and returns the Kanto Railway, and acknowledges restores Formosa. In chapters, more than 320 are aggressive policy towards China; China; (3) History of Japan's power in China; (5) The policy in Japan; all these are minutely there are numerous Anti-Japanese

Ki-hei Forestry Mining Loan	¥ 30,000,000
War Fund Loan	¥ 20,000,000
Bank of Communications Loan	¥ 20,000,000
Two Shantung Railway Loans	¥ 20,000,000
Four Mongolia and Manchuria Railway Advances	¥ 20,000,000
Flood Relief Loan	¥ 5,000,000
Telegraph Installation Loan	¥ 20,000,000
Kihui Railway Loan	¥ 10,000,000
Total	¥ 145,000,000

In addition to the above, there is a considerable amount of loans excluded from the consolidation program due to the reason that China does not acknowledge the debts under the pretext that these loans are not secured by any mortgage.

As the matter stands now, in the First International Conference which was convened during November, 1930, even the items of loans to be fixed in the consolidation draft had to be left unsettled and have so remained up to now. At any rate, Japan has loaned by far a greater amount to China as compared with other foreign countries, and has indeed a vital concern in this matter. Such a large amount as represented by the Nishihara Loans must by all means be consolidated successfully.

## Details of the Unsettled Accounts of the Manchuria and Mongolia Railway Loans

In order to construct railways in Manchuria, China made huge loans from both the Japanese Government and the South Manchuria Railway Company. She has not paid either the principal or the interest. With these railways financed with Japanese capital, China menaces the S. M. R. ignoring the Japan-China Agreement, and constructs competitive lines and plans the construction of harbours, etc. The unsettled accounts of the Manchuria and Mongolia Railway loans, not counting the Kirin-Changchun railway loan, amount to more than ¥160,000,000, the details of which are as follows:—

Details of Manchuria and Mongolia Railway Loans	Amount (Unit: Yen)
Ki-hui Railway Provisional Agreement Advance	10,000,000
Overdue Interest on above Loan	3,890,804
Manchuria and Mongolia 4 Railways' Provisional Agreement Advance	20,000,000
Overdue Interest on above Loan	8,490,520
2nd, 3rd, and 4th Interest Payment on Loan for above Ki-hui Railway, Manchuria and Mongolia 4 Railway Loans	28,055,973
Ssu-tao Railway 6th Short term Loan	32,000,000
Overdue Interest on above Loan	12,393,218
Ki-tun Railway Loan	9,158,106
Overdue Interest on above Loan	1,648,459
Tao-ang Railway Loan	1,044,496
Overdue Interest on above Loan	74,589
Outstanding Account of Ki-tun Railway	10,767,424
Tao-ang Railway Outstanding Account	16,316,717
" " " "	7,600
" " " "	50,560
Ssu-tao Railway Outstanding Account	280,685
Shen-hai Railway Outstanding Account	182,120
Peiping Railway	18,935
Tai-ku " "	5,061
Ssu-cheng " Department	1,142,000
Ki-tun " Temporary Payment	2,787,508
Ssu-cheng " Loan Account	4,780,000
Total Unsettled Accounts Receivable	¥163,995,764

China owes in addition ¥1,660,000 for the purchase of Japan's military railway between Mukden and Shinmintun in 1905, the initial loan of ¥2,500,000 in 1908 and the 2nd loan of ¥4,000,000 in 1917 on account of the Kirin-Changchun loan agreement.

## Japan's Actual Credit Accounts Other than the Manchuria and Mongolia Loan Credit Accounts

(Unit: ¥1,000—Outstanding on Jan. 1st, 1930)

Name of Loan	Amount of Loan	Amount of Principal and Interest	Name of Creditor Government
Boxer Indemnity Account	113,917		
Five Powers Adjustment Loan Account	50,000	46,654	"
World War Participation Loan Account	20,000		"
Tai-ku Railway Preparatory Loan Account	20,000		"
Ki-hei Forestry and Mining Loan Account	30,000	Under investigation	"
Wire Telegraph Loan Agreement Account	20,000		"
Bank of Communications Loan Account	20,000		"
Japan-China Ten Million Yen Loan Agreement Account	10,000	11,449 (with interest)	Yokohama Specie Bank
Peiping-Suiyuan Line 1st Loan Account	3,000	5,027 (with interest)	Toa Kogyo Co.
Peiping-Suiyuan Line 2nd Loan Account	3,000	6,263 (with interest)	Toa Kogyo Co.
Nan-Hsün Railway Loan Account	5,000		
Nan-Hsün Railway 1st Loan Account	500		
Nan-Hsün Railway 2nd Loan Account	2,000	14,011	Toa Kogyo Co.
Nan-Hsün Railway 3rd Loan Account	2,500		
Wire Telegraph Loan Account	20,000	28,665 (with interest)	Exchange Bank of China
Communications Dept. Telephone Development Loan	10,000	10,000	Chunichi Jitsugyo Co.
Wire Telegraph Development and Improvement Account	15,000	10,000	Toa Kogyo Co.
Shuang-chiao Wireless Station Construction Loan Account	5,363	5,363	Mitsui Bussan Co.
Total Loan Account	350,280		

## (B) Limitation of Japanese Investments

Previous to the MacKay Treaty, any joint-capital business under Chinese and foreign management had been prohibited. But by the MacKay Treaty China recognized the right of Chinese to own shares in British companies and vice versa. The same principle was recognized regarding Japan in 1903.

According to the present Chinese Corporation Laws, the fundamental principle is that there should be no distinction with regard to the nationalities of employees in Chinese companies and of shareholders. Therefore, at first sight, it looks as if there were no limitation or restriction placed on foreign investments. But, should Chinese companies be located outside of open ports, foreign investment has to come under a limitation somewhat analogous to the areal limitation as stated above.

Moreover, enterprises or trading concerns and banks of special nations are subject to various limitations. For instance, the mining industry belongs to the category of special enterprises. In this industry, the amount of foreign capital is not allowed to exceed one half of the entire capital. In the case of iron mining and those mining industries which come under the provisional regulations governing small mines, no foreign capital can be invested. The same applies to the fishing and salt industry under governmental protection. Foreigners cannot become shareholders of the China Merchants S. N. Co., steamship companies, Bank of China, Bank of Communications, and Bank of Agriculture and Commerce. Nor are they allowed to invest in the Chinese cotton and textile, woolen, iron, flature, tea, and sugar industries, which enjoy the privilege of loans from the government for three years in accordance with the Industrial Loan Act promulgated on January 13 in the third year of the Chinese Republic (1914).

## Incompleteness of Trade Mark Rights in China

In the new Trade Mark Law of China, in force since January 1930, there is no provision for punishing the infringement of trade mark rights, and such cases come under the criminal laws. The old trade mark law in force under the Peking Government contained definite clauses for punishment. With especial reference to counterfeiting or imitation, it provided as follows: "Counterfeiting or imitating the registered trade mark of another person with the intention of using it or causing it to be used by others for the same goods shall be punished with penal servitude for a term not exceeding one year or with fine not exceeding 500 yuan together with forfeiture of the articles concerned."

The new trade mark law is defective in many respects, there being no such clause as that cited above. The trade mark law is almost powerless to punish the violators, and it is more liable to encourage counterfeiting and imitation of trade marks. It is natural therefore that cheaper articles should be popular among Chinese merchants whose commercial moral standard is low with respect to the imitation and counterfeiting of trade marks.

As a result, Japanese sundry goods, refreshing preparations and toilet goods which can easily be imitated, suffer considerably. This state of things particularly hampers the sales of Japanese articles in Tientsin and its vicinity.

## Examples of Abuses of Trade Marks

Some time ago, someone started to sell all over China twisted yarn of inferior quality bearing the imitated trade mark "Hinode Jirushi" (Rising Sun Trade Mark) of the Teikoku Seishi Kaisha (Imperial Spinning Co., Ltd.) of Osaka, Japan. After an investigation, it was found that the Shanghai Industrial Waxed Wire Works was responsible. Thus, in March, 1931, the Toa Company, the general agent for "Hinode Jirushi" products, took action against the Shanghai Industrial Waxed Wire Works on the charge of trade mark counterfeiting—(punishable by Article 268 of the Chinese Criminal Laws) at the Shanghai Special District Court. But the court decided the case against the plaintiff because it could not be interpreted as a case of trade mark counterfeiting from the viewpoint of the Chinese Criminal Laws.

On April 10, the Nationalist Government suddenly issued the following order to the Trade Mark Bureau of the Department of Business: "According to the interpretation of the Shanghai Special District Court, a mere imitation of trade marks does not constitute sufficient grounds for considering it as counterfeiting. But if a trade mark registered by another party is imitated with fraudulent intentions, such case may be regarded as counterfeiting."

On April 14, a similar case occurred. Brunner, Mond & Co. (British) took action on the charge of trade mark counterfeiting in regard to its metal polish products. Again, the plaintiff lost the case.

The Shanghai Special District Court passed judgment as follows: "The evidence is not sufficient to prove the fraudulent intention of counterfeiting a trade mark."

It will thus be seen that in China one can imitate any trade mark with impunity, though in order to protect the trade mark rights, other countries have regulations for punishing not only fraud but also imitation.

China ignores these fundamental principles and allows trade mark imitation without due discrimination. The registrations in accordance with the trade mark law offer no protection whatever. Many Japanese trade marks have thus been abused in China.

such country." However, due to the most favoured nation clause, this has not been put into practice yet.

Similar agreements relating to the abolition of extraterritoriality were concluded in April, 1931, between Dr. C. T. Wang, the Chinese Minister of Foreign Affairs, and the Dutch Minister and also the Norwegian Minister. But in the case of the Sino-Dutch agreement, it does not bind the Netherlands until other Powers recognize it, because of the provisions of the most favoured nation clause.

## Present Conditions in China

During 1926 the International Committee on the Abolition of Extraterritoriality made the following recommendations to the Chinese Government:—

(A) To complete the compilation of the following codes and to put them into actual practice.

1. Civil Code.
2. Commercial Code including the law concerning Bills, Marine Affairs, and Insurance.
3. Revised Criminal Law.
4. Banking Law.
5. Bankruptcy Law.
6. Patent Law.
7. Law concerning Land Condemnation.
8. Law concerning Notaries Public.

(B) The Chinese Government shall establish and maintain a uniform institution regarding the enactment, promulgation and abolition of laws.

(C) The Chinese Government shall enlarge the new systems of law courts, prisons, and jails with a view to abolishing the old provincial courts, prisons, and jails.

But China has not given any attention whatever to these recommendations, the only accomplishment of the Chinese Government along these lines being the promulgation of the revised criminal law and civil law in part. It is vitally important for the safety of the life and property of foreigners in China that the judicial power should be rightfully and fairly exercised. However, the prevailing condition is that the Chinese judicial officials and police officers are easily bribed to misapply the law. The military officers and civil administrators often interfere with the judicial authorities, and the independence of judicial power scarcely exists in China.

## Regulations Governing the Foreigners Residing in China

Owing to the slow progress of the negotiation for abolishing extraterritoriality, China proclaimed in May, 1931, a set of regulations for governing the residence of foreigners in China. Peace and order are not properly maintained in China, and of course, no foreigners are subject to the new regulations, of which the following are the principal provisions:—

1. The term "foreigners" used in these regulations means those who enjoyed the extraterritorial right on the date of December 31 in the 18th year of the Republic of China.
2. Foreigners shall be subject to the jurisdiction of the local Chinese law courts of all grades.
3. In order to handle civil and criminal cases in which foreigners are defendants, special law courts shall be established in the local law courts of Harbin, Mukden, Tientsin, Tsingtao, Shanghai, Hankow, Hsiakao, Chungking, Minkao, Canton and Kunming and in the high law courts of adjacent districts.
4. The chief judge of the above special court shall be appointed from among the judges belonging to the respective courts.
5. When a foreigner becomes a defendant in either a civil or criminal case under jurisdiction other than the law courts provided for in Article 3, he may apply in writing for adjudication in the court concerned.
6. The special court may nominate several counsellors. The counsellors shall be appointed from among the local civil officials who are upright in conduct and are fully competent as judges with expert knowledge of law, but the rendering of counsel shall not be restricted to Chinese, and foreigners are also allowed to make application for their own counsel in writing to the foregoing special law court. However, in no case whatever will foreigners be allowed to interfere with judicial decision.
7. Restraint, arrest and domiciliary search in the case of foreigners shall be made in accordance with the law of criminal procedure. When a foreigner is arrested on the charge of violating the criminal law or other criminal regulations he shall be tried in the law court, but the hours of detention shall not exceed 24.
8. (Omitted)
9. In a civil or criminal case involving foreigners, the parties concerned are allowed to appoint an advocate either Chinese or foreign in accordance with the legal provisions, but laws and ordinances governing Chinese advocates shall be likewise applicable to the advocates.
10. Foreigners violating the police regulations shall be tried at the law court or at the police station. In the latter case, the penalty shall be a fine not exceeding 15 yuan, but the former shall not be subject to this provision. When the fine is not paid within 5 days in the case of police examination, the offender shall be detained at the rate of one yuan per day.
11. The warrant of restraint, arrest and detention shall be issued by the order of the local administration office.

Country	1921		1930	
	Tonnage	Percentage	Tonnage	Percentage
British	42,326,445	36.93%	57,246,927	36.79%
Japanese	31,738,783	27.69%	45,630,705	29.33%
Chinese*	31,791,479	27.74%	29,199,170	18.77%
American	4,510,901	3.93%	6,490,351	4.17%
German	—	—	4,245,842	2.73%
Norwegian	—	—	4,218,277	2.71%
Dutch	—	—	3,347,082	2.15%
Other Flags	4,251,936	3.71%	5,227,600	3.35%
Total	114,619,544		155,605,964	

\* Including junks entered and cleared at the Maritime Customs.

## Coastal Trade Right

Though nothing is mentioned about the coastal trade right of foreign vessels in the Nanking Treaty of 1842 between Great Britain and China, the Chinese Government gave implicit consent to the coastal trade of foreign vessels and their access to ports not opened to foreign trade. This policy was due to the fact that foreign vessels were considered safer than the Chinese boats.

In the Anglo-Chinese Treaty of 1858, the sailing and trading of foreign vessels between the ports not opened to foreign trade were prohibited, but it did not provide any restriction of the coastal trade, which was regarded as the foreigners' vested right. However, the abuses in connection with the taxing of goods transported were such that the Chinese Government promulgated the coasting trade law in 1861 for the first time. This was the official recognition of the right of foreign vessels to engage in coastal trade. The tax system was adjusted incidentally at the same time. But it was not until China's treaty with Denmark was concluded in 1863 that the right came to be recognized by a treaty. It has since become a general practice to have a similar provision in treaties with other countries. It will thus be seen that the coastal trade right really started from usage or custom rather than from a treaty or foreign compulsion. In a country like China, where navigation is in a primitive stage and internal strife and piracy prevail, the permission granted to foreigners to engage in coastal trade has contributed much to the safety and convenience of commerce and communication in China.

## China's Attitude Toward Coastal Trade

The Chinese people seem to regard the coastal trade as a measure of economic invasion on the part of the Powers, or else regard it as one of the chief causes for the undeveloped shipping business in China. In their recent demand concerning the revision of unequal treaties, the Chinese insisted on prohibiting the coastal trade by foreign vessels. In carrying out this aim, the Communications Department of the Chinese Government directed the Shanghai Shipping Association to use Chinese vessels exclusively. It is also strictly prohibited the hoisting of foreign flags on Chinese vessels. China aims at bringing every possible pressure to bear upon the coastal trade of foreign vessels. But those vessels which China possesses at present are all of smaller and older types, and are of course inferior by far to those of Japan and Great Britain. And as to the number of vessels, no remarkable increase has been made on account of China's repeated internal troubles.

According to the statistics at the close of 1930, there were 3,220 vessels registered at the Maritime Customs as sailing between open ports and ports not opened to foreign trade in accordance with the regulations for Inland Waters Navigation. Of the above figures, 2,627 were Chinese, and 544 were foreign.

## Present Condition of Coastal Trade in China

The ships engaged in trading between the open ports of China may be classified by countries as follows: Of the total, Japan represents 20 per cent in the number of ships and 27 per cent in tonnage. Japan and Great Britain combined represent more than 60 per cent as shown in the following table. (1930)

Countries	Entered		Cleared	
	Tonnage (Unit: 1,000 tons)	Number of vessels	Tonnage (Unit: 1,000 tons)	Number of vessels
Great Britain	20,172	18,932	20,453	18,971
Japan	14,203	12,013	14,594	12,238
China	12,485	22,488	12,469	23,299
U.S.A.	1,167	2,718	1,283	2,741
Norway	1,234	605	1,252	592
Germany	1,179	296	1,192	295
Netherlands	665	158	866	208
Portugal	346	996	356	1,024
France	216	305	235	315
Denmark	195	78	220	83
Italy	148	55	165	58
Sweden	70	21	61	18
Belgium	41	12	41	12
Others	33	20	25	15
Total	52,154	58,697	53,212	59,869



## Japan in Manchuria

### Imperial Troops by Their Prompt Action Forestall Ravages By Soldier-Bandits; Nippon Determined to Protect Her Rights at All Costs

#### At the Helm



Baron Kijuro Shidehara  
Foreign Minister



Baron Reijiro Wakatsuki  
Premier



General Jiro Minami  
War Minister

#### Causes of Manchurian Affair in Nutshell: Short, Concise Survey of Situation That Forced Japan to Self Protective Action

Late on the night of September 18, 1931, a number of soldiers under the command of Major-General Wang Jitai of the First Division of the Northeastern Army, generally regarded as the pick of the troops under Chang Hsueh-liang, attempted to destroy the track of the South Manchuria Railway a few miles north of Mukden. The Imperial Railway Guards were then compelled to take forcible action to stop the outrage, ending in the sweeping out of all the undesirable, disturbing and rowdy soldier-bandits from Mukden and its adjoining territory along the S.M.R. lines. This constitutes what is called the Manchurian affair.

Because of the rapidly with which the Imperial troops carried out these self protective measures, some of the Powers seem to regard the action of the Japanese with suspicion as if exceeding that of self-protection. The real nature of whole affair is not so simple as it might appear to others.

##### The Immediate Cause

The Chinese officials and civilians of late were united in their efforts to carry on an anti-Japanese campaign. They incited mobs at all possible opportunities with the apparent intention of trampling upon the rights that Japan possessed in Manchuria and Mongolia. Their attitude was one of provocative challenge.

It became a commonplace event for Chinese regular troops to try to pick quarrels with the Japanese soldiers guarding the Manchuria Railway lines, while mounted bandits attacked the region along the S.M.R. lines with an alarming frequency. The Chinese officials as well as soldiers were either powerless to cope with the mounted bandits or connived at their marauding. Then occurred the murder of Major Nakamura and his party by the Chinese regulars in a Mongolian town.

The ceaseless exclusion activities by Chinese against Chosenese farmers in the interior of North Manchuria eventually provoked the large-scale anti-Japanese movement now known as the Wanpaoshan case where a large number of Chosenese were ruthlessly driven out of their legitimate land holdings.

The feeling between the Japanese and Chinese nationals was brought to the white heat of hate and suspicion; there was reason to fear that the situation might burst out in fiery indignation on the part of the Japanese. The immediate direct cause of the Manchurian affair was the deliberate destruction of the S.M.R. tracks by the regular Chinese soldiers, but it would be correct to state that the smoldering anger of the Japanese due to the Chinese arrogance leaped into flame at the challenge of the Chinese. That the responsibility for the whole affair rests with China should be plain.

##### Distant Causes

The actual nature of the whole Manchuria affair will not be clear to any one unless he is well informed as to the illegal actions by the Chinese which may be said to constitute the distant cause. The situation in Manchuria, as has been elsewhere emphasized, is vital to Japan's national existence. Japan holds there special rights and privileges obtained after two wars in which she staked everything and she must see that order and peace are maintained there at all costs.

China has not only deliberately ignored the international treaties, but has been attempting to render them scraps of paper. China has disregarded Japan's rights and has been assuming an uncompromising attitude in carrying on an insulting anti-Japanese campaign. To mention some of the most prominent issues started by the Chinese:

1. The campaign for the restoration of Ryojun and Dairen.
2. The denial of Japan's right to station troops in Manchuria and North China.
3. The so-called railway question.
4. The question of the Japanese right to lease land.
5. The question of Chosenese in Manchuria.

##### Against Railway Rights

What has excited the strongest antagonism on the part of the Japanese against Chinese is the Chinese attempt to strangle the S.M.R.'s business by laying rival roads parallel to the S.M.R. lines, in open violation of the Sino-Japanese treaties.

There have also been the Chientao agreement in which the Japanese right to invest in the proposed Kirin-Kaipei line was formally recognized, the revision of the agreement in which Japan gave the sum of ¥10,000,000 to China as a prepayment, and the formal agreement concluded between Major-General Chang Tso-lin

and Mr. Jotaro Yamamoto, then the Governor of the S.M.R.; all these steps were taken in order to lay the Kirin-Kaipei Railway line, but the work has never been begun.

Meanwhile China has been active in planning rival lines to the S.M.R. on an elaborate scale to force the S.M.R. out of business. This is popularly known in Japan as the Chinese scheme of surrounding the S.M.R.

With Tabu as the starting point, China built a branch of the Peiping-Mukden line; the branch line goes from Tabu to Tungliang via Sinitun and Changwu, in entire disregard of Japan's interests.

Japan lodged a vigorous protest against the line, but China, as usual, ignored the protest and completed the line. The branch connected with the Taonan-Angangchi road, thus making a perfect competing system against the S.M.R. line on the west side.

China also has built the Mukden-Hailu line and extending further to Kirin from Hailu, presented another rival line on the east side of the S.M.R. By these two rival lines China planned to sandwich the S.M.R. line between the east and west rival lines and bring strong pressure on Japan's economic interests. All these railways were constructed by China in absolute disregard of Japan's rights or Japan's protests.

##### Right to Lease Land

Japanese nationals have the right to lease the land necessary for the pursuit of legitimate business in South Manchuria where they may build houses or begin farming enterprises. China, however, on one pretext or another, has never consented to adhere to the stipulation (in Article 2 of the treaty regarding South Manchuria and Eastern Mongolia) covering this. This was the basic plan on the part of China to prevent the Japanese from acquiring an economic foothold in Manchuria.

There are about 1,000,000 Chosenese in Manchuria, the majority of whom are engaged in agriculture. They have been hard at their pioneer work, suffering from the never-ending extortion of the Chinese officials and from the overbearing arrogance of the landowners. Many of them have been deprived of even their legitimate livelihood because of these combined attacks by the Chinese. Fearing the permanent extension of the economic power of the Chosenese, the Chinese have taken advantage of the fact that these Chosenese live mostly in remote parts of the interior and have been making continual efforts to drive them out either by illegal arrests or by forcible expulsion. These Chosenese may rightly be described as wandering along the life and death line.

##### 300 Issues Unsettled

In addition to these problems already mentioned, there are nearly 300 problems awaiting solution, or rather legitimate action on the part of the Chinese. In all these problems, the Imperial Government has never failed to urge the Chinese authorities, both local and central, to speed up their solution, but the Chinese have been delaying this solution apparently on purpose; in fact, the Chinese seem more anxious to find excuses for not solving them than otherwise.

China's sole efforts centre on the thought of how Japan may be driven out of Manchuria. China never hesitates to resort to any means of questionable character to that end. She has ignored treaties and disregarded international faith in her attempts to succeed. These Chinese actions have unavoidably widened the gap between the two countries in their friendly relations, have created suspicion on both sides, nurtured hatred, and brought about a tense situation, fraught with imminent danger.

The garrison of the Imperial troops stationed in the Leased Territory of Kuantung facing this critical situation, took aggressive action for the purpose of eradicating the disturbing elements. This cannot be other than purely an action of self-protection. Else what is it?

It is not difficult to imagine what the Chinese soldiers on the strength of the enormity of their number, might have done—the Chinese soldiers who have been thus maintaining an attitude of provocative challenge to the Japanese—situated as they were in an atmosphere where the enmity of both nations had become white hot, had they found that the Imperial troops would remain passive. The mere thought of it would make even the most unimaginative shudder.

The Imperial troops, outnumbered to the extent of one to 20, had to operate with lightning speed, occupy all strategic points, drive these elements from their base of operations and afford them no chance to rally. This is the reason that the Imperial troops cleared Mukden and its vicinity of all Chinese troops in a single night; the subsequent operations against the Chinese are simply a natural sequence of this principle in action.

#### What Is China?

Editorial, Oct. 14, 1931, Appearing in the Osaka Mainichi & Tokyo Nichi Nichi, English Edition

A time there was in America when the press and politicians were wont to call China a "Sister Republic in Orient" and the people did not think it absurd. This was the time when the world's illusion about China was at its climax. Of course, even then sane critics like the late Lord Bryce and Mr. J. O. P. Bland hughed at regarding China as a "Republic" in the sense the United States is a Republic.

Subsequent growth of interest in affairs of the Orient gradually led Americans and Europeans to view China in a more realistic light. A greater number of Americans had the chance of personally visiting their "Sister Republic," the hotbed of epidemics, plagues, and bandits. The "Sister" quickly dropped the word "Sister"; only the Chinese now make the liberal use of it in their propaganda in America; they cry out, "Can you afford to permit your 'Sister Republic' to be raped by the monstrous Japan?"

Fortunately most of the American people have ceased to be aroused by such hackneyed sensationalism—they have seen the true picture of China. They have realized that there are republics and republics and that these can differ as heaven differs from earth. As far as the American people are concerned it would be futile for the Chinese to attempt to present their country otherwise than what it is—a disorderly conglomeration of huge masses of discontented human beings covering a vast undeveloped territory.

For one reason or another the Europeans lag behind the Americans in their knowledge of China. This is evident even from the attitude of the League's Council toward the present Sino-Japanese friction. The Council is apparently being influenced by the Chinese statements and representations. Before taking these grandiose persuasions at their face value, has the Council stopped to question? What is China?—what authority have these statements back of them?

There is a hint that the League's authorities are taking but a telescopic view of the remote China and are confusing it with their preconception of a State derived from their contact with the advanced governments of Europe. Indeed, the Chinese delegate repeatedly mentions "My Government" as if his was a government in the established sense of the term. But what is the Chinese Government?—is there one to be so called?

There are in China as many "governments" as there are ambitious generals and warlords. These squat on different territories and with their cliques "govern" their own spheres of influence. Some warlords are richer and more powerful than others and these naturally retain a larger number of troops and hold more extensive territory under their control. General Chiang Kai-shek, General Chang Hsueh-liang, General Yen Hsi-shan, and General Feng Yu-hsiang are among the more powerful of the warlords.

Not only are there numerous "governments" in China, but these keep on constantly contesting for dominance. The League of Nations apparently regards the Nanking faction with confidence and deals with it as if it were a responsible government. It does not realize that in so doing it is but dealing with a clique of headstrong young men to whom the real meaning of a government is unknown. Due to courtesy and convenience Japan has given it a recognition, but with full cognizance of its invalidity. For instance, she does not, as the League seems to do, take its empty pledges and declarations at face value. Distance often removes an object's ugly realities.

The idea of sending a commission to China is a plausible one, provided that its object is to investigate the nature of the so-called "Chinese Government" and to see if it has any sense of responsibility—if it can be trusted as the governments of other nations can be trusted. The study of this basic principle, in our opinion, must be the starting point of the League's meddling with Far Eastern affairs.

THE EVIDENCE—The Patience With Which the Officers And Men of the Imperial Railway Guards Along the South Manchuria Railway Stood the Constant Pin-Pricking Provocation of the Chinese Regulars Finally Emboldened This Armed Horde on the Night of September 18, 1931, to Destroy the Track of the S.M.R. at a Point a Few Miles North of Mukden. Shown in the Picture Are Pieces of Broken Rails And Ties Gathered From the Destroyed Section With the Gun And Caps Left on the Spot by the Chinese Soldiers.



#### Japan Has Made Manchuria Oasis Of Peace in Lawless China; Will Keep it So

Japan does not want her borderland disturbed, nor will Japan tolerate a permanent coercive situation close by. This, in short, is the primary and only motive that has prompted Japan to turn her attention to Manchuria. When China planned aggressive measures in Chosen, Japan was forced to take up arms against her. The Sino-Japanese War was thus provoked by China.

The war ended in a great victory for Japan, but she was compelled to give up the fruit of the victory, the Liaotung Peninsula which she had obtained from China, because of the intervention by three Powers, Russia, France, and Germany. Japan, as a result, acquired practically no rights in Manchuria.

The ringleader of the intervention, Russia, soon after forcing Japan to return the Liaotung Peninsula to China, began laying the Chinese Eastern Railway, connecting Ryojun (Port Arthur) and Dairen, and leased the territory of Kuantung that embraces these two key points. Further, Russia built at Ryojun fortresses on a gigantic scale and trained the guns at the heart of Japan. Manchuria, like the Maritime Province, was apparently destined to be swallowed by Tsarist Russia.

Russia, in the meantime, extended her greedy claws to Chosen. Japan fought China in order to maintain in Chosen the peace that is vital to Japan's interests. Japan was again forced to rise against the aggressive encroachment of Russia. Then followed the Russo-Japanese War.

China at that time expected the defeat of Japan, and had entered into a secret defensive and offensive alliance with Russia. Japan knew nothing of this. The war, contrary to the belief of China, ended in Japan's victory. The majority of the rights possessed by Russia in South Manchuria consequently were turned over to Japan and this has helped China to preserve the integrity of her territory.

The risks faced and the sacrifices made by Japan for the purpose of perpetuating peace in the Far East were not visibly appreciated by China. The Sino-Japanese relations thereafter were not always smooth. Tsarist Russia fell, but the situation was not improved. Manchuria was subjected to constant disturbances. The territory had, in fact, innate elements detrimental to permanent tranquillity in this part of the world.

##### Conditions Vastly Changed

Within the extent of the concessional rights obtained from both Russia and China, Japan steadily carried out economic and cultural measures and invested well nigh ¥16,000,000,000, changing the conditions in the land to a marked degree. Where Japan's influence has been felt, the life in the territory has become orderly and peaceful; commerce and industry have become thriving. Fully 1,200,000 Japanese live in Manchuria and Mongolia, carrying on legitimate business that is contributing much toward the further improvement of the conditions in Manchuria all round. Manchuria today has become the only oasis of peace and order in the wide, bandit-infested, civil war-ridden China.

The situation in Manchuria and Mongolia has a vital bearing on Japan's national existence. When every pacific and legitimate means of persuasion to make China observe the sanctity of international treaties has not only failed, but when every such courteous attempt to this end is flouted with arrogance, is answered with insulting violation of treaties, and what rights Japan holds are about to be trampled upon, the limit of patience is reached.

No self respecting nation will see her rights and privileges deliberately ignored, her nationals subjected to all sorts of torment by lawless elements, their lives and property exposed to constant danger. There is a point beyond which endurance cannot go. Japan has reached the final limit in dealing with China. The limit has been passed. There is no other way left for Japan but to take self protective measures, and Japan does not intend to stop halfway in carrying these measures out.

# These Are Rights Guaranteed by China in Treaties But Deliberately Violated by Her

## Knowledge of Their History And Nature Is Paramount Requisite to Understanding of Manchurian Situation

### Japanese Rights the Fruit of Noble Sacrifices

The special interests of Japan in Manchuria are no other than the results of Nippon's sacrifice of 100,000 lives and hundreds of millions of yen. These rights must then be called the precious fruit of Japanese blood and sweat.

Furthermore, these rights are all legitimate ones, firmly protected by several treaties and agreements. Japan is entitled openly to claim them internationally, in accordance with the clear and distinct clauses of these pacts.

Following are the treaties and contracts which endorse the legitimacy of the vital Japanese interests in Manchuria:

1. The Russo-Japanese Treaty of Peace, and its Supplementary Agreement, signed in Portsmouth, 1905.
  2. The Sino-Japanese Treaty Regarding Manchuria, and its Supplementary Agreement, signed in Peking in 1905.
  3. The Sino-Japanese Agreement Regarding Manchurian Questions, signed in Peking in 1909.
  4. The Sino-Japanese Agreement on the China-Korean Boundary, signed in Peking, 1909.
  5. The Sino-Japanese Treaty Respecting South Manchuria And Eastern Inner Mongolia, signed in Peking, 1915.
  6. The various Sino-Japanese agreements and contracts regarding the railways in Manchuria and Mongolia:
- a) The Preliminary Loan Contract for the Kirin-Kainai Railway, signed in 1918.
  - b) The Revision of the Loan Contract for the Kirin-Changchun Railway, signed in 1917.
  - c) The Exchange of Notes Regarding Five Railways in Manchuria and Mongolia, signed in 1913.
  - d) The Memorandum on Four Railways in Manchuria and Mongolia, and the Preliminary Loan Contract for Four Railways in Manchuria and Mongolia, signed in 1918.
  - e) The Contract of the Kirin-Tumhua Railway Construction, signed in October, 1925.
  - f) The Kirin-Mandchuria and the Changchun-Dairen Railways' Construction, signed in May, 1928.

Taking all the above mentioned treaties and codes into consideration, the most important and significant of them all are the Russo-Japanese Treaty of Peace of 1905 and the Sino-Japanese Treaty Respecting South Manchuria And Eastern Inner Mongolia of 1915.

That is to say, the rights pertaining to the management of the South Manchuria Railway and the lease of Kuantung Province—which form the most essential part of the vital Japanese interests in Manchuria and Mongolia, were acquired by Japan from Russia as the result of their peace treaty.

These rights were further duly recognized by the Chinese Government in the Ching dynasty through the Sino-Japanese Treaty Regarding Manchuria and its Supplementary Agreement in 1905. Then came the Sino-Japanese Treaty Respecting South Manchuria And Eastern Inner Mongolia of 1915, which extended the term of the Japanese legitimate rights, thus making Nippon's indispensable interests in Manchuria and Mongolia secure and well established.

### Lease of Kuantung

The lease of Kuantung Province by Japan was effected according to Chapter 5 of the Russo-Japanese Treaty of Peace in 1905, with the consent of the Chinese Government.

The chapter in question said:

"The Imperial Russian Government transfers and assigns to the Imperial Government of Japan, with the consent of the Government of China, the lease of Port Arthur, Talien, and adjacent territory and territorial waters, and all rights, privileges, and concessions connected with or forming part of such lease, and it also transfers and assigns to the Imperial Government of Japan all public works and properties in the territory affected by the above-mentioned lease.

### Consent of China

"The two high contracting parties mutually engage to obtain the consent of the Chinese Government mentioned in the foregoing stipulation.

"The Imperial Government of Japan on its part undertakes that the proprietary rights of Russian subjects in the territory above referred to shall be perfectly respected."

These rights to lease Kuantung Province had been secured by Chapter 8 of the Sino-Russian Treaty on the Lease of the Liaotung Peninsula in 1898. According to the chapter, the term of the lease began on March 27 of the same year, to last for 25 years. The chapter further provided that any extension of the term should be made after the negotiations between the parties concerned upon its expiration on March 27, 1923.

These same rights were transferred and assigned to Japan by Russia and later in 1915, Japan and China concluded the Treaty Respecting South Manchuria and Eastern Inner Mongolia of 1915, Chapter 1 of which held that the term of the lease should be extended to 99 years from the original date, 1898. That is, the term will expire in 1997. Thus Japan is justified in leasing Kuantung Province for 66 years to come.

Chapter 1 of the treaty of 1915 said:

"The high contracting parties mutually agree to extend the term of the lease of Port Arthur and Dairen, and the term relating to the South Manchuria Railway and the Antung-Mukden Railway, to a period of 99 years respectively."

### Gateway to Manchuria

Geographically, Kuantung Province, as is well known, is a narrow part of the Liaotung Peninsula's southern tip, made up of the two ports of Ryojun and Dairen and some hinterland. Although its area is not large, the province is an important gateway to South Manchuria and is also the point from which Japan's Manchurian and Mongolian policies are guided.

Viewed from political, economic, and strategic standpoints, the Japanese lease of the province must be protected at any cost as long as Nippon holds essential interests in Manchuria. Unfortunately, this lease of the province is the only one of the Japanese rights maintained intact from Chinese interference.

In addition to the lease of the province, the right to establish a neutral district in the region north of the leased territory is being recognized by China. The first step in this recognition was made in May, 1898, when Russia and China signed an additional treaty in Peking, Chapter 2 of that pact held that Russia was authorized to designate the district embodying the mouth of the River Kaichow on the west coast of the Liaotung Peninsula, north of Hsiencheng, and the mouth of the River Tayuan, as a neutral zone.

This right was duly assigned to Japan by Russia, and the former is entitled to refuse the entry of Chinese troops in this particular zone, as well as to reject China's opening any part of the zone's east and west coasts for trade with other countries, or her allowing any third party to build railways, or engage in mining or other industries and commerce in the same district.

### Garrison Right

Russia and Japan reserved rights, in the supplementary agreement of the Russo-Japanese Treaty of Peace, to station troops along the railway zone of the Chinese Eastern Railway and the South Manchuria Railway, respectively, at the rate of not more than 15 men per each kilometre of the line, in order to safeguard their respective railways.

The Japanese troops now active in Manchuria are stationed there by virtue of this very agreement.

The South Manchuria Railway is about 1,100 kilometres in length. It means that Japan may station officers and men to the maximum limit of 16,500 along the S.M.R., as provided in the foregoing agreement.

The Japanese railway guards in Manchuria are made up of the Independent Corps with its headquarters at Kungchunlin and also of the South Manchuria Division. The present force, even after the outbreak of the recent incident, has not been increased to the treaty maximum.

### Russians Evacuate

Russia evacuated her entire railway guard force a few years ago. The Chinese Eastern Railway, therefore, is now being guarded by Chinese troops. This is why China has frequently approached Japan with the request, based on Article 2 of the Sino-Japanese Treaty Regarding Manchuria, that Japan, too, should withdraw her railway guards now that the Russians have evacuated.

The Japanese guards, however, are stationed within the railway zone which is entirely under the Japanese administration where any Japanese subjects, troops or otherwise, may reside. Consequently, the Chinese have no right to make such a request.

Moreover, Japan may follow the Russian example only "when order has been perfectly established in Manchuria and the Chinese authorities have become able fully to protect the lives and property of foreigners in Manchuria," as is provided in the latter half of the same article upon which the Chinese request is based.

In the present circumstances, when the lives and property of the Japanese subjects residing in Manchuria are exposed to constant danger, and especially when such an incident as the Chinese bombing of the South Manchuria Railway, leading to the outbreak of the present emergency, is liable to occur, it is only natural that the right to station guards should be firmly preserved as a special privilege of Japan.

The proposed reorganization of the Imperial Army reflects the foregoing necessity, for it includes the change of the present system of stationing the railway

guards in Manchuria. At present, troops are sent from home divisions to Manchuria to assume guard duty there for a certain period and are then relieved by other guards from home divisions. This system, however, is going to be changed in such a manner that no troops need be sent from the home divisions annually as they are now.

### Order And Administrative Improvements

While negotiations on the Supplementary Agreement of the Sino-Japanese Treaty Regarding Manchuria were pending in 1905, the original Japanese proposal included two articles which, in substance, were as follows:

"Article 1. As soon as the Russian and Japanese troops are withdrawn from Manchuria by virtue of Article 8 of the Russo-Japanese Treaty of Peace, the Chinese Government should organize an administrative organ which will be able to maintain peace and order in the districts from which the said troops have withdrawn.

"Article 2. The Chinese Government should establish a good administration in Manchuria and start administrative improvements with the object in view of giving proper and effective protection to the lives and property of foreign residents in Manchuria."

The Chinese delegate, however, expressed the hope that these articles would be eliminated from the Japanese proposal on the ground that they amounted to interference with the Chinese domestic administration.

It was explained by the Japanese delegate, however, that these articles were by no means intended to interfere with the Chinese domestic administration, but that they were meant for the perfection of the administration in Manchuria in such a manner as to guarantee security in the future; it was also explained that the reformation, which would mean the rooting out of whatever causes of future international complications there might be in Manchuria, was a proposal that was as beneficial to China as it was important to Japan's national welfare.

### Compromise Made

A compromise was made in the end, however, by which the foregoing two articles were combined into one in the form of a Chinese statement to be issued by China spontaneously and be recorded in the annals of the negotiation proceedings. The gist of the statement is as follows:

"The Chinese plenipotentiary delegate declares that the Chinese Government, following the evacuation of the Japanese and Russian troops, will carry out under the 'sovereign rights of perfect administrative management in order to maintain peace and order. Furthermore, efforts will be made under the same sovereign rights to develop industry, to remove all evils, and to carry out effective all round readjustments so that all the native and foreign residents in Manchuria may attain welfare in their lives and business undertakings under the 'protection of the Chinese Government. As regards the practical measures to materialize the said readjustment, however, the Chinese Government will take whatever steps it sees fit and proper."

The foregoing statement is contained in a secret document, but Japan has regarded it as a kind of agreement with binding force and China, too, has recognized it as such.

### Japan May Protest

In case, therefore, the Chinese Government does not act properly in maintaining peace and order in Manchuria and fails to give effective protection to the Japanese and foreign residents and their business undertakings, leading to the creation of a situation which is contrary to the original intentions, Japan, on the basis of the foregoing Chinese statement, may draw the attention of the Chinese Government to that fact and then request that government to carry out administrative improvements.

The Chinese statement, furthermore, proves on the other hand that Japan may act to guarantee the perpetuation of peace and order and to protect the lives and property of the Japanese and foreign residents in Manchuria in case the Chinese Government fails to act effectively to insure such safety. And, such an action on the part of Japan will not signify interference with the Chinese domestic administration. This privilege, then, assumes important significance as one of Japan's special treaty rights in Manchuria.

Included among the instances in the past when the said privilege of Japan was exercised by virtue of the foregoing secret Chinese statement are:

The issuing of a warning by Japan to the representative of the Mukden and Peking Governments concerning the preservation of Japan's treaty rights in Manchuria and Mongolia at the time when the second Mukden-Chihli War threatened to break in October, 1924.

The issuing of a warning by the Commander of the Japanese troops in the leased territory of Kuantung as

(Continued on Page 4)

The Military Nerve Centre: The headquarters of the Kuantung Garrison whence the orders and instructions for military operations are issued.

regards the Chinese protection of the Japanese residents in Manchuria as well as the Chinese appreciation of Japan's treaty rights, to the Mukden and to General Kuo Sung-ling's forces at the time of their clash.

And again in 1928, when the Nationalists went on the expedition against the Northern factions and there were indications of Manchuria being involved in the turmoil, the Japanese Government sent a memorandum similar in nature to the foregoing warnings to both the Northern and Southern Governments.

### Management of S.M.R.

The lease of Kuantung Province and the management of the South Manchuria Railway are to Japan's interest in Manchuria what wheels are to a cart. Precisely like the lease of the Province, the control and management of the railway is the most vital part of these interests. The importance of the railway's position in Japanese Manchuria policies and the significance of the railway's economic activities in Manchuria are so great that no elucidation is here required.

The South Manchuria Railway, including its line between Antung and Mukden, has its own Railway Zone with an area of 17 square ri.

Chapter 6 of the Russo-Japanese Treaty of Peace of 1905 says:

"The Imperial Russian Government engages to transfer and assign to the Imperial Government of Japan, without compensation and with the consent of the Chinese Government, the railway between Changchun (Kuancheung) and Port Arthur and all its branches, together with all rights, privileges, and properties appertaining thereto in that region, as well as all coal mines in the said region belonging to or worked for the benefit of the railway.

"The two high contracting parties mutually engage to obtain the consent of the Government of China mentioned in the foregoing stipulation."

### Extent of Railway

The railway consists of its main line 438 miles long, from Dairen to Changchun, which is Manchuria's main artery of traffic; in addition there are the Mukden-Antung branch line, 161 miles long, the Ryojun line, the Yingkou line, the Yentai line, the Hunyu line, the Fushun line, and Piaocheung line. The extent of these branch lines combined reaches about 700 miles.

The railway management also has its own land holdings in Mukden and Changchun.

As provided in Chapters 5 and 6 of the Russo-Japanese Treaty signed at Berlin in 1896 concerning the construction of the Chinese Eastern Railway, Japan also has the absolute and exclusive right of administration with the limit of the South Manchuria Railway Zone.

The right in question includes such privileges as the exemption from taxation of all immovable property such as the telegraph system, and also the exemption from customs duty and taxes of all the materials concerning the South Manchuria Railway's business management.

This means that the relation between China and the S.M.R.'s railway zone is precisely like that between the Kuantung Leased Territory and China, although the Railway Zone is outside Kuantung Province.

The business term of the South Manchuria Railway was decided in the original agreement as 99 years, starting from the date of its being opened to traffic. This agreement held that the entire business of the railway, together with its property should be returned without compensation to China after this lapse of time.

The agreement also provided that China was entitled to repurchase the railway 36 years after the opening of operation, by redeeming the entire amount of the invested capital and the debts and interest connected with the railway.

### Term Lengthened

The term, again, was extended by the Sino-Japanese Treaty Respecting South Manchuria and Eastern Inner Mongolia of 1915, which extended both the term of Kuantung Province lease and the business term of the railway company by 99 years. Thus, the South Manchuria Railway under the Japanese management can rightfully maintain its business until 2002, or 71 years hence.

At the same time, China's right to repurchase the railway as defined in the original agreement was declared null and void by a note attached to the Treaty of 1915.

Besides its main business of railroading, the South Manchuria Railway also engages in various lines of industry such as mining, maritime transportation, harbour building, iron founding, electricity, hotel management, oil-shale production, and several other enterprises.

The capital of the company, which amounted to ¥200,000,000 at the time of its incorporation in 1906, reaches more than double that amount, today, or ¥440,000,000.

(Continued on Page 4)

### Japan's Economic Risks in Manchuria

Japan in almost monopolizing investments in Manchuria, her total investments having now reached ¥1,500,000,000, while the combined amount of other countries' investment in Manchuria is only ¥550,000,000. Of the combined amount, a great part is Russian investments, her share being 84 per cent., as she invested in the Chinese Eastern Railway and other business in connection with the Railway.

Naturally other foreign countries' share is very small. Details as to country are as follows: Britain ¥39,650,000, the United States ¥26,000,000, France ¥21,000,000, Sweden ¥1,000,000, and Denmark ¥1,000,000.

Thus Japan's investments in Manchuria are incomparably large and consequently Japan has a great concern in Manchurian affairs and she becomes anxious when her treaty rights and interests are threatened by the Chinese outrages, especially in view of the fact that more than 100,000 lives were lost and ¥2,000,000,000 was spent to drive Russia out of Manchuria as Japan has staked her national existence twice in order to preserve the neutrality of Manchuria against the aggressor.

Division of Investments  
Japan's investments in Manchuria may be divided into three items, that is to say, investments by granting loans ¥240,000,000, investments in enterprises conducted by other corporations ¥1,140,000,000, and investments in enterprises conducted by individuals.

The greatest item in Japan's investments is the South Manchuria Railway Company, which has many subsidiary businesses throughout South Manchuria along the railway lines. According to the survey conducted on March 31, 1931, investments in the South Manchuria Railway Company amount to approximately ¥742,000,000.

A rough division of investments in the Company is shown in the following table:

Item	Investments (Unit Yen)
Railways	270,000,000
Railway factories	6,500,000
Harbour works	83,000,000
Fushun Oil-shale	8,800,000
Anshan Iron Works	28,000,000
Fertilizer factory	80,000,000
Local utility works	180,000,000
Miscellaneous works	52,000,000

Thus investments in the South Manchuria Railway Company alone are an enormous amount and any threat to wreck the foundation of the Company has a serious effect upon Japan.

### Foreign Countries' Investments

Among the investments in Manchuria by foreign countries, the railway is also the most important item, their combined investment amounting to ¥480,000,000. Next comes trading, with investments amounting to ¥42,000,000; followed by banking ¥23,000,000, manufacturing ¥16,000,000, and mining ¥15,000,000. Their combined investments in miscellaneous enterprises amount to ¥29,000,000.

Britain has been holding debentures of the South Manchuria Railway Company to the amount of approximately ¥39,000,000. This should be considered as indirect investments in Manchuria.

### International Competition

The international competition in making investments in Manchuria has become keener than ever, following the development of industries there. Rumours have been current that Britain and the United States were going to invest in the Chinese mining industry, while Germany was planning to invest in the Chinese railways in Manchuria.

Japan, however, has a geographical advantage, compared with other foreign countries. Foreign countries, therefore, will not be able to compete with Japan in making investments in Manchuria and they will not dare engage in competition with Japan, because they will find it difficult to protect their interests in Manchuria, which are constantly affected by the Chinese outrages.

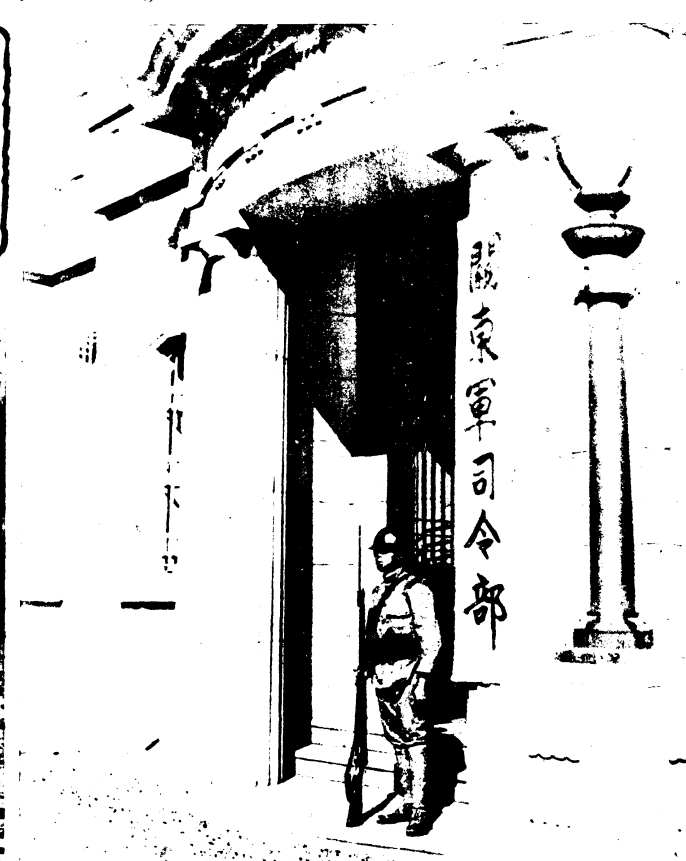
### Some Chinese Know Situation

Some Chinese know that it is unwise to stand against the Japanese activity in Manchuria and China and a further cooperation should be effected in order to promote the prosperity of Manchuria and China, but a majority of the Chinese people do not know the actual situation and they are instigated by some to conduct the anti-Japanese agitation partly at the expense of the Chinese themselves.

They will, however, come to know the actual situation sooner or later and they will find that cooperation with Japan is imperative. Meantime Japan will have to protect her threatened treaty rights and interests in Manchuria and China at any cost.



Guarding the Railway: The only way to make the Chinese observe the sanctity of international treaties.

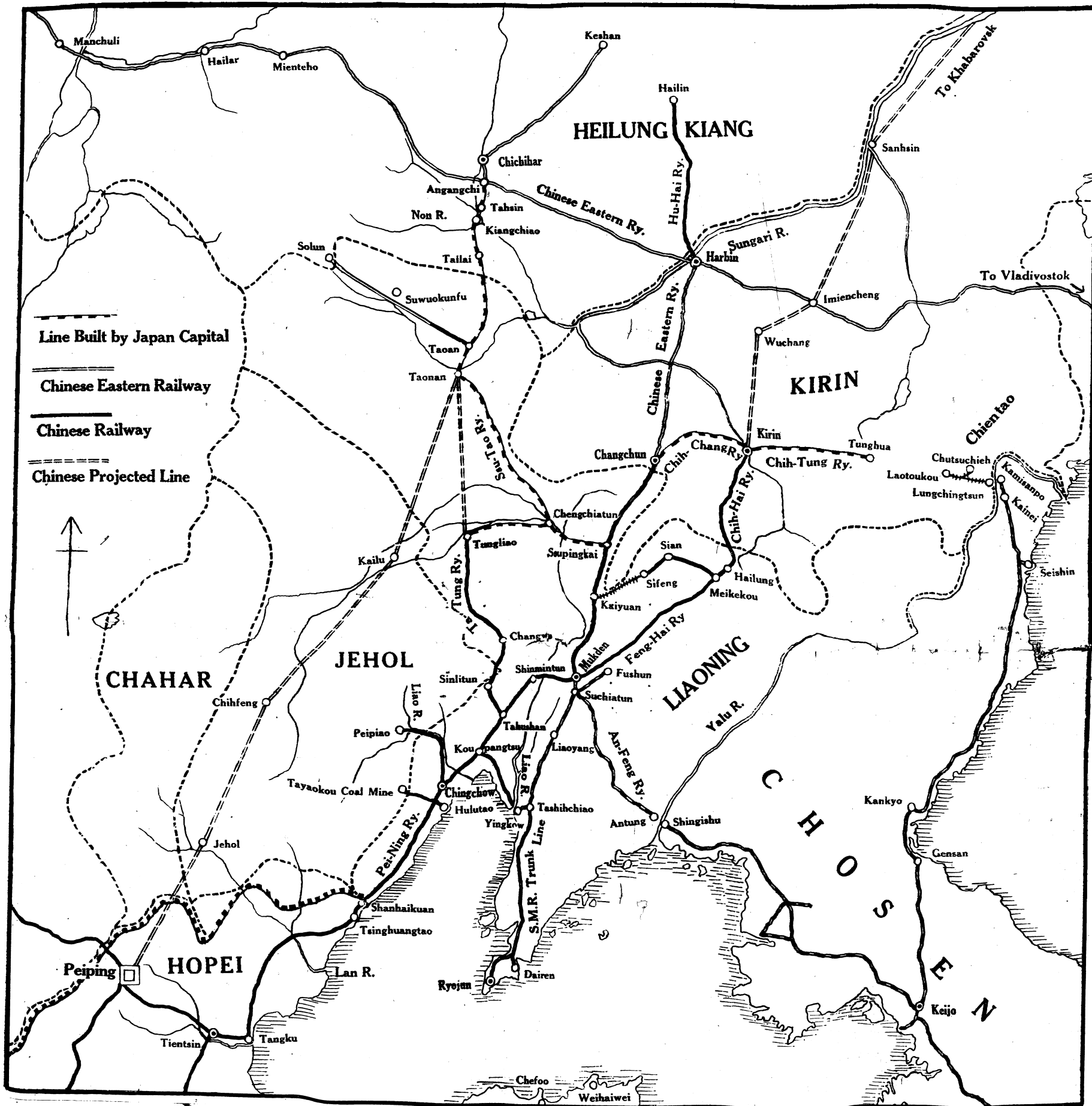


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Department of State Letter, August 10, 1972  
By M. J. O. Sullivan  
NARS, Date 12-18-75

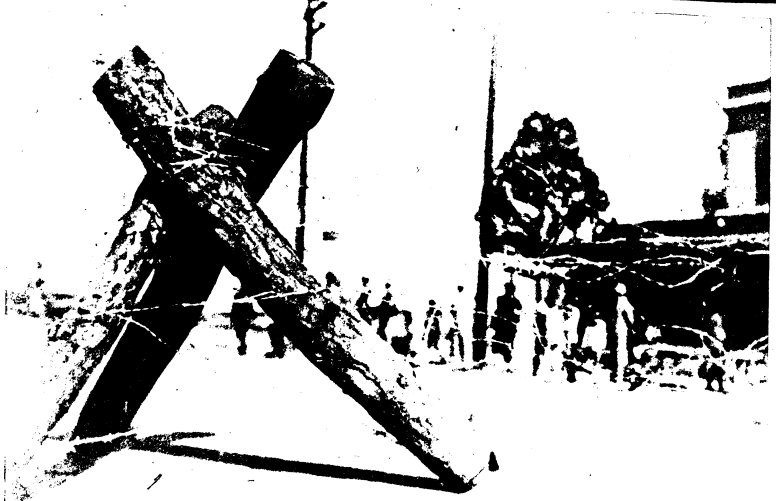
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# Where Handful of Imperial Troops Is Fighting Against Greatest Odds To Protect Lives And Property of Japanese Nationals And to Free Territory From Menace of Roaming Chinese Soldier-Vandals



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Department of State Letter, August 10, 1972  
By *MILITARY O. DIVISION* NARS, Date 12-18-75



## Pictures

### Mobs Kept Out

A typical barbed wire defence along the borders of the Japanese settlement and the Chinese quarters in Mukden, soon after the Chinese outbreak on the night of September 18, 1931.

### Called to Duty

Members of the civilian volunteer corps in Mukden called to emergency duty, ready with arms. In the earlier part of the critical situation, these volunteers helped the military authorities a great deal in keeping all suspicious and undesirable Chinese elements out of the Japanese quarters and in maintaining peace and order in the local community.



# China Is Only Country in World Where Government Carries Out Systematic Anti-Foreign Movement as Perversion of Diplomacy

## How China Tramples Upon Rights Of Japan in Manchuria

The blowing-up of the South Manchuria Railway track on the night of September 18 by the Mukdenite troops, while it undoubtedly was serious enough in itself, was not the sole factor that prompted Japan to take possession of nearly all the railways of the Mukdenites, even though Japan's military action is not for keeps.

The reason why the Kwantung garrison had to take drastic measures was much more deep rooted than that. Nor did it come by accident. It was the unfriendly and warlike attitude of the Mukden authorities during the past five years that subsequently paved the way for the present Manchurian unrest.

It was the fixed policy of the Mukden authorities during this period to drive Japan gradually out of Manchuria. Had Japan allowed herself to be driven out step by step by the Chinese in Manchuria, the world would not have seen the so-called Manchurian incident.

In point of truth, Japan up to the outbreak of the incident had been exercising little by little almost every day, but just as there is a limit to man's patience, and so is the limit to compromising. Japan had reached a point where she could no longer give way an inch.

The Sino-Japanese treaty of commerce, governing relations of the two countries in a general way, does not suffice to record and clarify various rights and interests vested in Japan in consequence of the Russo-Japanese war.

It need scarcely be said here that these vested rights and interests cost Japan billions of yen and 200,000 lives to realize. That is not all. The Chientao agreement and the treaty of 1915 gave Japan additional rights and interests. Was Japan content to let China infringe on Japan's treaty rights? A thousand times, no!

Japan's national sentiments always keenly concerned over the vested rights in Manchuria, have of late come to turn greater attention than ever before to the countless instances

in which the Chinese steadfastly balked at Japan's just dues.

This nation, far from being warlike, and having always had deep sympathy for the worthy aspirations of China, her neighboring nation, which has much to learn from Japan in every way, has striven hard to bring the outstanding issues to an amicable solution.

Japan's efforts for peaceful settlement—repeated written or verbal warnings—served only to make China hold Japan lightly in her estimation. Picturing that Japan, bound by the League of Nations covenants, the Kellogg Pact and the Nine Power Pact, would be unable to make a firm stand on the Manchurian situation, China deliberately ignored Japan's rights in Manchuria with alarming persistence.

That, in a nutshell, is what has eventually culminated in the present trouble, which was accentuated by the explosion on September 18 on the S.M.R. track by the Mukdenite troops. Heretofore whenever Japan's rights were violated and trifled with, Japan lodged verbal or written protests with the Chinese authorities, most of which protests were ignored.

The Consul-General of Japan at Mukden is said to hold an enormous volume of documents dealing with hundreds of unfulfilled issues, some of which are the death of Japan's future. These pending issues, if roughly divided, can be classified as (1) Railway Problems, (2) Land Questions, (3) Disposition of Chosenese Settlers, (4) Illegal Taxations, and (5) Miscellaneous.

### Railway Problems

By far the greatest cancer in Manchuria is the problem of railway troubles, of which none can exceed in importance China's criminal disregard of Japan's priority right—China has been treaty-bound not to build any lines parallel to the S.M.R.

In December, 1905, shortly after the termination of the Russo-Japanese war, China solemnly pledged she "would not build parallel lines to S.M.R. or branches thereof that might jeopardize the S.M.R. prior to the eventual surrender by Japan of the S.M.R. to the Government of China." This declaration was made on the oc-

casions of Sino-Japanese negotiations at Peking, subsequent to the war.

In spite of this pledge, China began construction work on the Tashuhen-Tsungling Railway, a line that certainly is parallel to S.M.R. in 1922, and which was completed in October, 1927. Japan vigorously protested against this during the construction work, but without avail.

The Kirin-Hailiao Railway which was completed in 1929 is the second instance where S.M.R.'s anti-parallel line right was ignored. China was supposed to build in cooperation with Japan a line from Hailiao to Kaiyuan of which Japan had priority right. Yet, China not only failed to cooperate with Japan but linked the new line with the Mukden-Hailiao Railway, which was a downright infringement of treaty rights. Repeated protests on this matter were fruitless.

### Kirin-Kainei Railway

The right to build the Kirin-Kainei Railway is the third case in which the Chinese authorities have made the iron-clad agreements a mere scrap of paper. This line, purporting to link Changchun, the northern terminus of the S.M.R. with Kainei, Chosen's northernmost seaport on the Sea of Japan coast, via Kirin, has been secured by Japan by successive treaties and agreements.

First, by the Kirin-Changchun railway agreement of 1907; second, by the Chientao agreement of 1909; third by the Kirin-Kainei railway loan agreement of 1918; fourth, by the contract of 1927 entered into by the late General Chang Tso-lin, Mukden warlord and Mr. Kumetaro Yamamoto, then governor of the S.M.R.

In addition to that, at the signing of the 1918 preliminary railway loan agreement, a sum of \$10,000,000 was advanced to the Mukdenites by Japan. In spite of all these, the total of what has been accomplished to date is the section between Kirin and Tungshu, over which traffic has been opened. Needless to say, Japan's continuous demand for a showdown, has always been ignored by China.

### Four Manchuria-Mongolia Lines

Speaking of the 1918 preliminary railway loan agreement despite the fact that the sum advanced was \$20,000,000, Japan prior to the time for right to build the Kaiyuan-Kirin Railway, the Changchun-Taonan Railway, the Taonan-Jehol

tracting parties. During the time the line is under the control of the Japanese, Chinese troops, arms, and provisions will be transported according to the terms of the Chinese Eastern Railway Treaty.

"In effecting the transformation of the railway, the Japanese authorities in charge will consult with commissioners to be appointed by the Chinese Government. Rates of freight on goods belonging to the Chinese Government or private individuals will be specially arranged."

### Broad Gauge Line Built

In April, 1907, the South Manchuria Railway Company formally received its main line and the Mukden-Antung Railway from the Imperial Army's management, and the company was ordered by the Japanese Government to transform the light railway into a broad gauge track 4 feet 8.5 inches wide within three years.

The actual reconstruction, however, was delayed considerably due to the slow progress of the company's negotiations with the Chinese Government and also difficulties encountered on the technical side of the work.

The reconstruction at last began in August, 1909. The work was finished in October, 1921, after spending approximately \$25,000,000. The railway has since been under the control of the S.M.R. company.

The term of the Mukden-Antung Railway which was fixed as 15 years in the Treaty of 1905 was further extended to 99 years from that date in the Sino-Japanese Treaty Respecting South Manchuria and Eastern Inner Mongolia of 1915, that is, till 2004 or 79 years hence.

### Unlawful Competition

It is to be extremely regretted that the agreement between Japan and China to the effect that the latter will not construct railway lines parallel with the South Manchuria Railway seems only nominal at present.

The burning issue of China's unlawful building of such lines, competing with the S.M.R., is casting a dark shadow upon the railway company's management. Japan has a legitimate right to demand that China does not by such railways, but this vested right is being ignored by the Chinese.

Chapter 3 of the secret protocol attached to the Sino-Japanese Treaty Regarding Manchuria signed in 1905 says that the Chinese Government promises not to construct, before the restoration of the S.M.R. from Japan, any railway which is near or parallel to the former or which may affect the former's business interest.

Although this was a secret agreement, it still remains strictly in force. Once, indeed, the application of the protocol checked China's attempt to build an illegal railway.

In July, 1907, the Chinese Government planned a new line between Hsinmintun and Fukumen, violating the



Reunion: The members of the family of a Chosenese farmer in the interior of Kirin Province, driven out of their home by roaming Chinese soldier-bands, escaped with their lives and are seen expressing their joy at their miraculous reunion. The picture was taken by a staff photographer of the Osaka Mainichi, near Kirin City, at 3 p.m., October 16, 1931.

Railway, and a branch from the latter to a seaport, not one of the four lines has so far been built.

On the contrary, China built by her own hands the Kirin-Hailiao Railway, which forms a part of one of the proposed lines that run parallel with the S.M.R., which goes to show that China is guilty of double infringement of agreements.

Of course as Japan subsequently turned her right to build the Taonan-Tungshu Railway and a branch from that line to a seaport over to a consortium, she has no claim on outsiders. But since China does not recognize the consortium, Japan has the preferential right to press China for execution of the contract.

### Five New Railway Claims

In the five new Manchuria-Mongolia railway concessions to which Japan and China are the contracting parties, is included the Kirin-Kainei Railway. Besides there are the Changchun-Taian Railway, the Kirin-Wuchang line, the Taonan-Solunin line, the Yenki-Hailin line, the right of which was secured by the agreement of May, 1928. The fact remains that the contract or no part thereof has since been executed.

### Taonan-Angangchi Railway

The Taonan-Angangchi Railway was built by the S.M.R. at the request of Chinese and turned over to them late in 1928, with the understanding that in the event of the Mukden authorities failing to pay the contracted cost wholly or in part within six months after delivery, the S.M.R. would share the management and operation of the road.

China not only failed to settle the account to date but not even paid the interest on the construction cost. Despite the fact that the contract calls for the clarifying of the financial status of the road to creditors and for the hiring of a Japanese engineer, China has shown no inclination to live up to the contract and has since been operating the line of her own accord.

### Kirin-Tungshu Question

The Kirin-Tungshu line forms the part of the proposed Kirin-Kainei Railway, built by the S.M.R. and over which traffic has been opened. In this case also, China has been faithless throughout, refusing to pay the construction cost of \$18,000,000 or any part thereof, but running the line built by the S.M.R. for nothing. Furthermore, China has failed to hire a Japanese chief accountant for the line, as per contract.

China is honour-bound not to connect the Peiping-Mukden Railway with the Mukden-Hailiao line, so long as the former crosses the S.M.R. line at Mukden, it being understood by the agreement of 1909, the extension of the Peiping-Mukden line shall terminate near the walled city of Mukden.

Yet, in spite of repeated protests from Japan China willfully violated the contract by linking the two lines without Japan's consent or without a

above mentioned agreement. The Imperial Government reminded China of the latter's promise, but she ignored Japan's protest and signed a railway construction contract with a certain British engineering company.

Japan lost no time in filing a strong protest with China, as well as in negotiating with the British Government. Nippon then finally succeeded in making Britain withdraw the contract to build the railway for China.

### Manchurian Treaty

Two years later, or in September, 1909, Japan and China signed the Treaty Regarding Manchurian Questions, Chapter 1 of which held as follows:

"The Government of China engages that in the event of its undertaking to construct a railway between Hsinmintun and Fukumen it shall arrange previously with the Government of Japan."

Chapter 2 said, "The Government of China recognizes that the railway between Tashichiao and Yingkou is a branch line of the South Manchuria Railway, and it is agreed that the said branch line shall be delivered up to China simultaneously with the South Manchuria Railway upon the expiration of the term of the concession for the main line. The Chinese Government further agrees to the extension of the said branch line to the port of Yingkou."

In October, 1909, China concluded a preliminary agreement with American financiers to build a railway between Chinchow and Aihun, but this plan, together with the proposition for the neutrality of Manchurian railways initiated by U.S. Secretary of State Knox, were kept from being materializing due to the joint opposition of Japan and Russia.

### Pact Violated

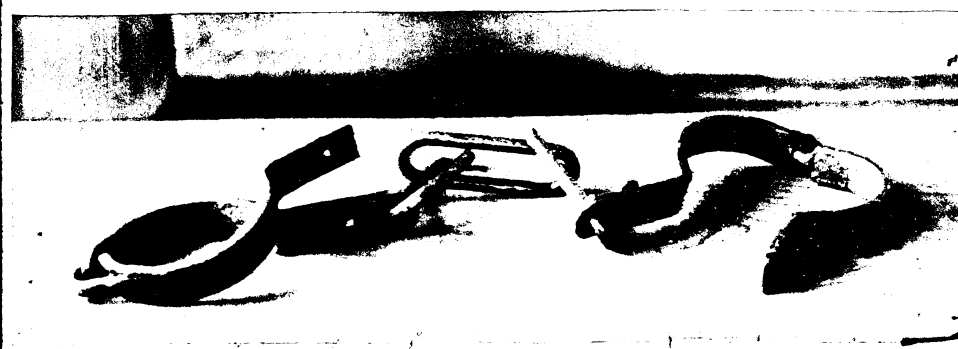
Japan's demand that no country should build a railway that would hinder the profit of the South Manchuria line thus has been a legitimate right, but the Mukden



Once a Peaceful Home: The cottage of a Chosenese farmer in Kirin destroyed by the Chinese soldiers.



All Grief Stricken: A group of Chosenese refugees whose parents, brothers, sisters and other relatives were murdered by Chinese soldiers. They themselves barely succeeded in escaping. They were terrified almost to the point of insanity.



Chinese Civilization: A pair of leg irons found on a Chosenese confined in the prison in Kirin City. The Chosenese committed no offence other than being a Japanese subject.

mutual alteration of the original contract.

### Szeepingkai-Taonan Line

The Szeepingkai-Taonan Railway was built on the loan advanced by Japan and was completed in 1917. China likewise defaulted in the payment of principal as well as interest, the latter alone having since accumulated to \$10,000,000. Although China subsequently converted the loan to one of short term, she neither made the payment due nor complied with the renewal proceedings.

### Leasehold Question

Japan by virtue of the Sino-Japanese Treaty of 1915 has Manchuria, of whom 400,000 live in the Chientao district. By far the greatest majority of them are working in the paddy fields. Since the Chinese do not take very kindly to rice farming, a vast area of arable land has for some time been left uncultivated.

Chosen being thickly populated, what is more natural than for the Chosenese to go seek their fortune in Manchuria which is sparsely populated. Inasmuch as the Chinese landlords desire to have their tracts tilled by the Chosenese, who are desirous of settling in Manchuria, the live-and-let-live principle ought to be vindicated in Manchuria under ordinary circumstances. But is it?

The reason why Japan is anxious for her nationals to secure leasehold in Manchuria is primarily for the purpose of facilitating the Chosenese set-

ties immediately after the treaty went into effect, began negotiating with the Mukden authorities, only to find the latter utterly insincere.

Sixteen years have since elapsed, during which time Japan pressed China countless times without avail. In addition to this, the Mukden authorities not only refused to accommodate the Japanese nationals in securing land, but did everything to hinder the Japanese from leasing the land, by issuing adverse instructions to the district officials.

### Oppression of Chosenese

More than 1,000,000 Chosenese are estimated to live in Manchuria, of whom 400,000 live in the Chientao district. By far the greatest majority of them are working in the paddy fields. Since the Chinese do not take very kindly to rice farming, a vast area of arable land has for some time been left uncultivated.

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ters desiring to cultivate paddy fields. Yet, the Chinese authorities, skeptical of the real purpose of the Chosenese, have been and are doing everything they can to recognize the leasehold rights, in which they are vested by the treaty.

How the Chosenese are maltreated by the Chinese is fairly well known along the S.M.R. zone or near where there are Japanese consulates, but it is difficult to imagine the extent to which the Chosenese are oppressed in the remote districts, outside the Japanese authorities' sphere of influence.

Listed below are some of many instances where the Chosenese were victimized by the oppressing Chinese:

April, 1927, Mukden authorities ordered the closing of the primary school for Chosenese children in one corner of the Fengtien Province and four months later a similar case was reported.

August, 1927, the governor of Fengtien Province issued a decree forbidding the Chosenese to cultivate rice, excepting where they were possessors of written permits.

October, 1928, the governor of Kirin Province ordered the banishment of all Chosenese who were not naturalized, while the governor of Fengtien Province issued a proclamation demanding compulsory naturalization of the Chosenese.

November, 1927, the governor of Kirin Province issued another decree, by which he prevented the Chosenese from leasing land for rice culture.

November, 1927, the governor of Fengtien Province issued a clandestine decree, and ordered the Chosenese to be driven out of the province between November, 1927, and January, 1928.

March, 1928, 12 Chosenese families in one corner of the eastern Inner Mongolia were driven out by the Chinese troops by force and the 78 acre tract under cultivation was confiscated and divided among the Chinese settlers from Shantung Province.

February, 1929, a Chosenese settler, Kan by name, and his family of 18, were forced to retreat from along the line of the Eastern Chinese Railway to Changchun, because of persistent illegal demands for money and chattels imposed on him by the Chinese authorities.

March, 1929, 58 Chosenese farmers residing at Tienchongtai district, had to return to Chosen because of the persistent oppression by the Chinese authorities who insisted on evacuation of land and withdrawal from the country. They brought pressure to bear upon landlords.

There were countless instances where the Chinese authorities and people by maltreating the Chosenese settlers from every conceivable angle, made Manchuria too hot for the helpless Chosenese to remain in.

### Illegal Taxations

So long as Japan enjoys extraterritoriality in China, it stands to reason that China cannot levy on the Japanese nationals residing in China any taxes other than those allowed by the treaty. Yet China under one

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## Japan's Rights Explained

### Management of S.M.R.

(Continued From Page 2)

\$900,000. The scope of its economic activities is increasing year after year, and it is a world-known fact that the company in itself is a colossal financial force in Manchuria.

### Most Shareholders Japanese

The notable part of the railway company's regulations is that its shareholders must be either the Government or individuals of either Japan or China. In reality, the shares are practically monopolized by the Japanese.

There is an episode worth being mentioned here regarding the Japanese resolution not to include others in the South Manchuria Railway shareholders' list.

Immediately after the Russo-Japanese War, Mr. Harriman, a United States railway king, visited Japan and tried with high enthusiasm to persuade the Japanese Government to assign the S.M.R. to the management of the United States. The Government leaders gradually inclined to favour the proposal of the American railway magnate and both parties were about to sign a contract.

At this juncture, Foreign Minister Komura of Japan returned home from the Russo-Japanese Peace Conference. Japan's peace delegate declared that the transfer of the South Manchuria Railway to America would be a serious hindrance in establishing a far-reaching policy by Nippon. Mr. Harriman vigorously protested, but Minister Komura maintained his insistence, on the legal ground that the nationals of any third party are not entitled to become shareholders in the railway. The first attitude of the Foreign Minister was based on his consideration of Japan's vital interests in Manchuria.

### Mukden-Antung Line

The Mukden-Antung Railway is next to the S.M.R.'s main line in importance. It links Manchuria with Chosen and is a trunk line of communications between Europe and the Far East. The origin of this road was a light railway hurriedly built by the Japanese Army during the Russo-Japanese War. This line was handed over to Japan by China according to the Sino-Japanese Treaty Relating to Manchuria of 1905, Chapter 6 of which states the details of the agreement as follows:

"The Chinese Government agree to the military railway constructed between Antungcheng and Mukden being transformed into a line for the transmission of the merchandise of all nationals and conducted by the Japanese Government. The term during which the railway will be conducted by the Japanese to be 15 years from the date on which the transformation of the line is completed.

"Upon the expiry of the term, the railway will be sold to the Chinese Government, its value being decided by two experts, one to be appointed by each of the con-





Bluejackets on Patrol: The presence of a squad of men from the Imperial warships at Shanghai was found necessary in the Japanese section of the International Settlement of that city to cool down the ardour of the Chinese patrioters. This is by no means the first time armed foreign troops had to patrol Shanghai streets for the protection of the lives and property of their defenceless nationals against ruthless Chinese ravages.



Yet Nanking Says There Is No Anti-Japan Movement: This picture shows a house damaged by Chinese Government-incited boycotters in the compound of a Japanese spinning mill, Shanghai.



Chinese Traitors: The two Chinese on the left are confined in a "private" prison in Shanghai because they had Japanese products in their shops; the one on the right had to undergo the humiliation of being exposed before the public with a placard hung about his neck; the placard describes him as a "traitor" because he handled Japanese goods.

## Records Show Anti-Foreign Spirit In China Is National Trait

1. Tatsu Maru Incident. This occurred in 1906 when Japan protested to China against the seizure of the Tatsu Maru, a Japanese steamer. The boycott that followed, continued from March to November, the same year.

2. Antung-Mukden Railway Incident. This was connected with the reconstruction by Japan of the railway line between Antung and Mukden in Manchuria in 1909. It was followed by a violent anti-Japanese boycott movement in Manchuria between August and October, 1909.

3. Sino-Japanese Treaty Trouble. On the occasion of the signing of the Sino-Japanese treaty of May, 1915, an anti-Japanese boycott agitation was started in Hankow, which spread like wildfire throughout China, lasting until October, that year.

4. Shantung Problem. Upon receipt of the news that China's case with reference to the Shantung issue in the Versailles Peace Conference in 1919 was unfavourable, China started anti-Japanese agitation on a gigantic scale throughout the country with the National Humiliation Day, May 7, as the pivot. The agitation continued until December, that year.

5. Agitation for Recovery of Ryojun (Port Arthur) and Dairen. This agitation was carried on between April and August, 1920, with Central China as the nucleus. China finally declared the severance of economic relations with Japan.

6. May 30 Incident. Following what is known as the May 30 incident, or the Nanking Road incident in 1925, wherein a number of Chinese rioters were shot by police in the International Settlement at Shanghai, a strike of national proportions was declared in China, anti-foreign boycotts being conducted in every part of that country.

7. Shantung Incident. In 1927, in view of the loss of Japanese lives and property in Nanking and Tsinan caused by the Chinese uprisings, the Tanaka Government of that time sent troops to Shantung for the protection of the Japanese nationals. In retaliation, China inaugurated anti-Japanese boycotts in different parts of that country.

8. Tsinan Incident. The Tsinan incident, in which a number of Japanese were killed, took place following the dispatch of Japanese troops for the protection of the Japanese nationals in Tsinan in 1928. In that connection, the anti-Japanese societies were organized as permanent instruments to conduct anti-Japanese agitations as well as boycotts.

9. Wanchow Incident. The Wanchow incident of 1931 origi-

nated in the issue created regarding the use of a river for the irrigation of rice paddies cultivated by the Chinese in Wanchow, North Manchuria. It was accompanied with the retaliatory riots of the Chinese against the Chinese residing in Chosen. These in turn were followed by the anti-Japanese agitations in the middle of July, that year, in Shanghai and elsewhere under the direction of the anti-Japanese societies.

**Anti-Japanese Economic Blockade**

With reference to the anti-Japanese agitations, mentioned in Paragraphs 1 to 5, the causes of such agitations were political, although the methods employed were economic, that is, anti-Japanese boycotts were started, meaning the confiscation and non-purchase of Japanese goods. In the anti-Japanese agitation of 1925, however, the Chinese were not satisfied with confiscation and non-purchase of Japanese goods. They adopted a new policy of severance of economic relations with Japan, as follows:

1. Prohibition of supplying raw material to Japanese.
2. Dismissal of all Japanese employees.

Today, the three lines, namely, the Peiping-Ningpo Railway, the Mukden-Hailung Railway, and the Kirin-Hailung Railway are conducting a thorough transportation service, and challenging the South Manchuria Railway from the east.

**Future Plans**

China further plans to connect this line with far-away cities such as Wuchang, Shansheng and Suiyuan, forming a great trunk line in the east and, side by side with the western railway net consisting of the Tientsin-Tungchow Railway, the Suiyuan-Taonan Railway, and the Taonan-Angangchi Railway, to surround the S.M.R. in all directions, giving a fatal blow to the Japanese-managed railway.

The significance of the Sino-Japanese agreement for the protection of the South Manchuria Railway, with the above situation in view, is infinite. The settlement of this question cannot be made by a mere protest from the Japanese Government. It is imperative for Nippon to take some other effective step that will assure the well-being of the South Manchuria Railway.

**Five Railways in Question**

The much talked about Manchuria-Mongolia five railways are the following roads, all of which were named in the official documents exchanged between China and Japan in October, 1913:

1. Su-Tao Line: Suipingkai, Chengchiatus, and Taonan, 194 miles.
2. Kaiyuan-Hailung Line, 120 miles.
3. Changchun-Taonan Line, 180 miles.
4. Taonan-Jehol Line, 470 miles.
5. Hailung-Kirin Line, 110 miles.

Of the foregoing five railways, the first three were to be built with Japanese capital by the Chinese Government, and as regards the remaining two, Japan was to be given the priority right in the investment in case

played in concerns in which the Chinese were interested.

3. Withdrawal of Chinese workers employed by Japanese.

4. No deposits to be made in Japanese banks and non-use of Japanese paper currency.

As a result, Japan's trade with China decreased, the marine transportation service shrunk, Japanese goods for China export depreciated, Sino-Japanese exchange transactions were dislocated, and otherwise Japan suffered from extraordinary direct and indirect effects. Furthermore, some of the Japanese firms in Central China were obliged to close. Thereafter, China's new policy of economic severance came to be applied in labour disputes with all foreigners in China.

**Permanent Anti-Japanese Machinery**

Immediately following the Tsinan incident, the national federation of Anti-Japanese Societies was organized under the supervision of the Kuomintang (Nationalist party), the organization of the federation, the actions of the anti-Japanese societies throughout China. This federation was a national institution established by the Government of China. All the insidious plans of the federation were laid by the Kuomintang. Consequently, after the organization of the federation, the actions of the anti-Japanese societies had a different significance from the anti-Japanese boycotts and other agitations against Japan in the past. The new situation may be summed up as follows:

1. The aim of the National Federation of Anti-Japanese Societies was theoretically anti-imperialism coupled with a patriotic movement, in conducting the agitations against Japanese. These agitations were not like those in the past which had been only temporary and regional in character.

2. The federation was a national organization conducting its movement in a systematic way unlike the former fire-cracker agitations.

3. In reality, these agitations were not backed by the people in general, but by a section of merchants and industrialists as well as by certain undesirable Chinese who worked under the cloak of national movements.

4. As an example, the anti-Japanese society in Peiping was led by the Kuomintang members, students, and the commercial guilds in that city.

The National Federation of Anti-Japanese Societies was renamed the National Association for the Abolition of Unilateral Treaties immediately upon the solution of the Tsinan incident at the close of March, 1930.

The Chinese Government was to build them with foreign money.

The Su-Tao line was partially completed between Suipingkai and Chengchiatus, a distance of 54 miles in November, 1917.

In September, 1918, a new memorandum was exchanged between China and Japan and the program concerning the foregoing five railways was somewhat changed.

**New Contract**

According to the new memorandum, the Kaiyuan-Hailung and Kirin-Hailung lines were to be grouped together as one road to be built with Japanese money, and the Taonan-Jehol line was also to be built by Japanese investment, instead of Japan's obtaining a mere priority right to participate in the international investment. Furthermore, a new line was to be built between a certain point of the Taonan-Jehol line and Hailung.

Subsequent to the foregoing memorandum, the Japanese capitalists and the Chinese representatives had come to a preliminary agreement as regards the construction of the said four railways and a loan to the amount of \$30,000,000 was advanced.

Due to the outbreak of strong anti-Japanese activities, however, the contract has not yet been signed, to say nothing of the carrying out of the construction of these railways. The money advanced has never been refunded.

Furthermore, China has built the Kirin-Hailung Railway, ignoring Japan's right guaranteed by the loan. When the Four Power consortium was organized in 1919, Japan was obliged by the strong insistence of Britain and America to yield the Taonan-Jehol line and the railway between this line and Hailung to enterprises to be run by the consortium.

**Right Still Exists**

China, nevertheless, did not recognise the promotion of this consortium. The Powers attitude toward China has undergone a considerable change since. So far as

So-called anti-Japanese business societies have recently been organized in different parts of China.

**Anti-Japanese Boycott And Rise of Chinese Industry**

While the anti-Japanese boycott has seriously affected the Japanese trade with China, it has tended to encourage the Chinese industry as a natural consequence. It is not proper to dismiss this as a temporary development. The Chinese Government has declared complete tariff autonomy and has established new high tariff rates, thereby rendering the importation of foreign goods very difficult. At the same time, it has encouraged domestic production while making the protective policy distinct. As a result, the industries in China have developed extraordinarily. With the anti-Japanese boycott agitations at the key, various kinds of industry have sprung up in China like mushrooms.

Between 1928 and 1930 inclusive, there appeared 16 large factories in Shanghai, the capital of each, excepting the Financiers Office in the latter part of April, 1931, at which a resolution was adopted opposing the establishment of factories in China by foreigners. The society then addressed a petition to the national headquarters of the Kuomintang, the Financiers Office, the Government, the Industry Office, and the Foreign Office, to the following effect:

1. The National Government is requested to establish a law governing the registration and other matters of factories established in China by foreigners and at the same time to impose heavy production, business, and dumping taxes.
2. The Industry Office is requested to take steps for the encouragement of domestic production to assist in the effective development of domestic industry.
3. The Finance Office is requested to reduce or abolish taxes on domestic products, thereby lightening the burden of the domestic manufacturers.
4. The Kuomintang and the National Government are requested to issue orders to the members of the party and to the Government officials to use domestic products and also to conduct a publicity campaign for the encouragement of the use of domestic products by the people.
5. The port officials are requested to

ed to petition the Government to check foreigners coming to China as workers.

6. The Foreign Office is requested to ask the Governments of foreign countries to make clear the nationality of foreign goods exported to China and the location of the factories where they were made, with the understanding that any goods may be confiscated if their origin is not made clear.

**'Anti' Class at Schools**

The National Government of China has adopted a policy of continuing to use anti-Japanese material in textbooks for primary and middle grade schools throughout China with the object of perpetuating the anti-Japanese feeling, until Japan shall have consented to a revision of the treaty of commerce and navigation, the return to China of the lease of the Kwantung leased territory, the return of the control of the South Manchuria Railway, the independence of Chosen, and the return of Taiwan.

Out of 500 chapters containing anti-foreign articles in the textbooks of the schools, 320 chapters are devoted to anti-Japanese matter. These articles may be grouped under the following heads:

1. Japan's aggressive policy in China.
2. Japan's method of invasion of China.
3. Japan's history of invasion of China.
4. Japan's influence in China.
5. What the people of China shall do to face their problems.

All these articles are written in plain and easy style. There are any number of other anti-Japanese articles which cannot be readily enumerated.

The following are samples of anti-Japanese education:

"Insert proper word in the blank space in the following sentences:

1. The country which is robbing our country of Manchuria and Mongolia is—
2. The Kirin-Kaiwei Railway is a line running between Kirin and—
3. There is no other way to face Japan than to take—measures.
4. The South Manchuria Railway Company is a leading instrument by which—will down China.
5. Taiwan was originally a territory of—
6. The influence which Russia exercised at one time in Manchuria and Mongolia was destroyed by—

these two railways are concerned, however, it cannot be said that Japan's right pertaining to the construction thereof has been discarded.

In short, of the five railways in Manchuria and Mongolia, only the Su-Tao line has been opened together with its branch line between Chengchiatus and Tsungling, a distance of 72 miles. Japan's investment in this line amounts to \$12,000,000, the Yokohama Specie Bank having handled \$5,000,000, and the South Manchuria Railway Company, \$7,000,000. In point of fact, the S.M.R. contracted for the construction of this railway, completing the work in November, 1923.

The business of this railway is satisfactory, but the management refuses to renew the loans.

Thus it may be considered that Japan has an established right to invest in the Manchuria-Mongolia Five Railways, but in the face of China's railway policy and due to the change of the times, a new agreement has been concluded, the outstanding feature of this pact being that efforts shall be made to develop Manchuria and Mongolia industrially by the introduction of various new enterprises instead of by mere railway operation. This is called the New Manchuria-Mongolia Five Railways agreement.

**New Five Railways**

A secret agreement was concluded between Mr. Yamamoto, former Governor of the South Manchuria Railway Company, and the late Marshal Chang Tso-lin, at Peking in May, 1928, as regards the construction of railways in Manchuria and Mongolia.

As the result, a contract to build the Kirin-Hailung and Changchun-Taiji lines was given to Japan with the understanding that the construction be commenced before May, 1929. Due to the sudden death of Marshal Chang, however, nothing has come of this contract so far.

It is also reported that provisional contracts were also concluded as regards the construction of three railways, the Kirin-Wuchang, the Taonan-Tsuling, and the Yenki-Hailin lines at the time of the Peking negotiations, but nothing is known for certain as the documents exchanged in those days have not been published.

**Taonan-Angangchi Line**

The construction right of the Taonan-Angangchi Railway originally belonged to Russia. The Three Eastern Provinces Government (Mukden), however, has regained this right, taking advantage of the Soviet declaration abandoning all its concession rights abroad. Subsequently, Chang Tso-lin gave the South Manchuria Railway Company the contract to build this railway at its own expense.

The Taonan-Angangchi Railway, 143 miles, was thus completed in 1926 at the cost of \$18,000,000. It was understood that the Mukden Government would refund the S.M.R. expenditures within one year following the completion of the construction, and that in case the

# Anti-Japanese Campaign in China Is Marked Everywhere With Insolence And Wanton Destruction of Life And Property . . . . .

## How China Violates All Treaties

(Continued From Preceding Page)

pretext or another has for some time imposed on the resident Japanese in Manchuria numerous illegal taxes.

Since China declared the restoration of tariff autonomy in 1930, and since she decided on the abolition of Ikin in 1931, China decided to levy what are called administrative tax and business tax. Since Ikin still stays in Manchuria, China did everything to tax the Chinese residents in the S.M.R. zone.

The desire on the part of the Chinese authorities to tax those at Mukden and Antung is, and has always been, more especially pronounced. Of course the Japanese nationals on the strength of the treaty stipulations reject all such moves. But here is where the Chinese authorities' manoeuvres come in.

The authorities wait for the Japanese goods, sold to the Chinese merchants, to be conveyed outside the railway zone, where they impose stiff taxes. In June and July, 1931, hundreds of Chinese tax collectors were in waiting outside the S.M.R. zones of Mukden and Antung.

Needless to say tactics like that deal a severe blow to the Sino-Japanese trade. The Japanese consular and diplomatic corps have time and again lodged vigorous protests with China, to little avail. On all such occasions the Chinese authorities usually made irresponsible and ambiguous replies. The decreasing of the number of tax collectors was the only sign that the Japanese protests were heard at all.

Recently China showed audacity enough to establish a maritime customs house at Dairen, in Japan's leased territory, which, due to the repeated vigorous protests, was about to disappear. There were countless instances where the Chinese settlers in the remote sections of Manchuria were impoverished by exorbitant taxation by the Chinese authorities. Cases were so numerous that it would be impossible to minutely describe them all in a limited space.

**Miscellaneous Oppressions**

The incidents related below will give an idea of the extent to which the Chinese authorities dared to slight, or wilfully ignored, Japan's

rights vested in the Sino-Japanese treaty.

The Chinese have had the nerve to block Japan's oil shale industry at Fushun colliery, which industry has a vital bearing on Japan's oil supply situations, while in other instances the Chinese have resorted to tactics which are difficult to understand.

Several years ago, the Japanese Foreign Office bought a 25,000 tsubo tract as a possible site for the future consular building at Maotieshan, Linkiang-hsien. Yet, when the consular officials were about to open the new consulate on May 25, 1927, the inhabitants in the neighbourhood objected to it.

The result was that the consular officials were unable to open up the new office and had to move to temporary quarters at Chungkiang-chin. This consulate was established with the understanding of the central government at Peking, and the opposition of the district authorities and people is out of all reason.

In October, 1929, seven soldiers of the fourth infantry company of the Japanese garrison stationed to guard the S.M.R. line were fired on by the Chinese police near Anshun. The Japanese troops after swift pursuit captured two offending policemen. The protest filed by the consulate proved unavailing so far.

There were innumerable cases where the Japanese nationals were attacked and even the Japanese were fired on by bandit-like Chinese soldiers without any good reason. The blowing-up by the Chinese of the S.M.R. track on September 18, 1931 served as the direct forerunner of the present chaotic situation in Manchuria.

In addition to that, a great many Chosenese settlers in the Chientao district were tried by the Chinese courts and were imprisoned in the Chinese jails, which constituted downright infringement of the extraterritoriality.

In an extreme case, several Chosenese criminals arrested by the Japanese policemen were seized by the Chinese police. The cases illustrating China's violation of Japan's vested rights were so numerous that volumes would hardly suffice, which is why the situation has reached the stage where dispute could no longer be settled through diplomatic channels.

Mukden Government was unable to meet the obligations, the S.M.R. expenditures should be considered a Japanese loan to China.

China, however, has not paid the S.M.R. expenditures, nor has she recognized these expenditures as a legitimate loan from Japan.

## Other Railway Rights

Outside of the rights pertaining to the South Manchuria Railway, including the Mukden-Antung line, Japan retains special interests with some other roads, namely, the Kirin-Kaiwei Railway, the Kirin-Changchun Railway, and also those which are usually known as the Five Railways of Manchuria and Mongolia.

The forms of Japan's rights in regard to these lines are varied, concerning either management by request, the undertaking of construction, or the credit for the loans with which some lines are built.

The object of these railway enterprises is the greater development of the rich natural resources in Manchuria, with the South Manchuria Railway as the centre, and also to form the main traffic facilities in the industrialized region.

Nevertheless, these roads also are a constant source of problems arising between Japan and China, such as the so-called Manchurian and Mongolian Railway issue. Many thorny questions are lying in the path of the Sino-Japanese negotiations in regard to this matter.

The Kirin-Kaiwei Railway perhaps has the highest importance among the railways in which Japan is interested, after the South Manchuria Railway. Upon its completion, this line will link Kaiwei of Chosen with Kirin, and will also further the maritime traffic between such Chosenese ports as Seishin and Ranan with those on the Japan Sea coast of the mainland, considerably boosting the Japanese-Manchurian trade.

The Kirin-Kaiwei Railway in this respect has a high economic as well as strategic significance.

## Right Secured in 1909

The right regarding this line was secured by Japan in September, 1909, from China, when the two countries agreed that the River Tumen should be the Chosenese border. Chapter 6 of the Sino-Japanese Agreement Regarding the China-Korean Boundary, concluded at that time, said:

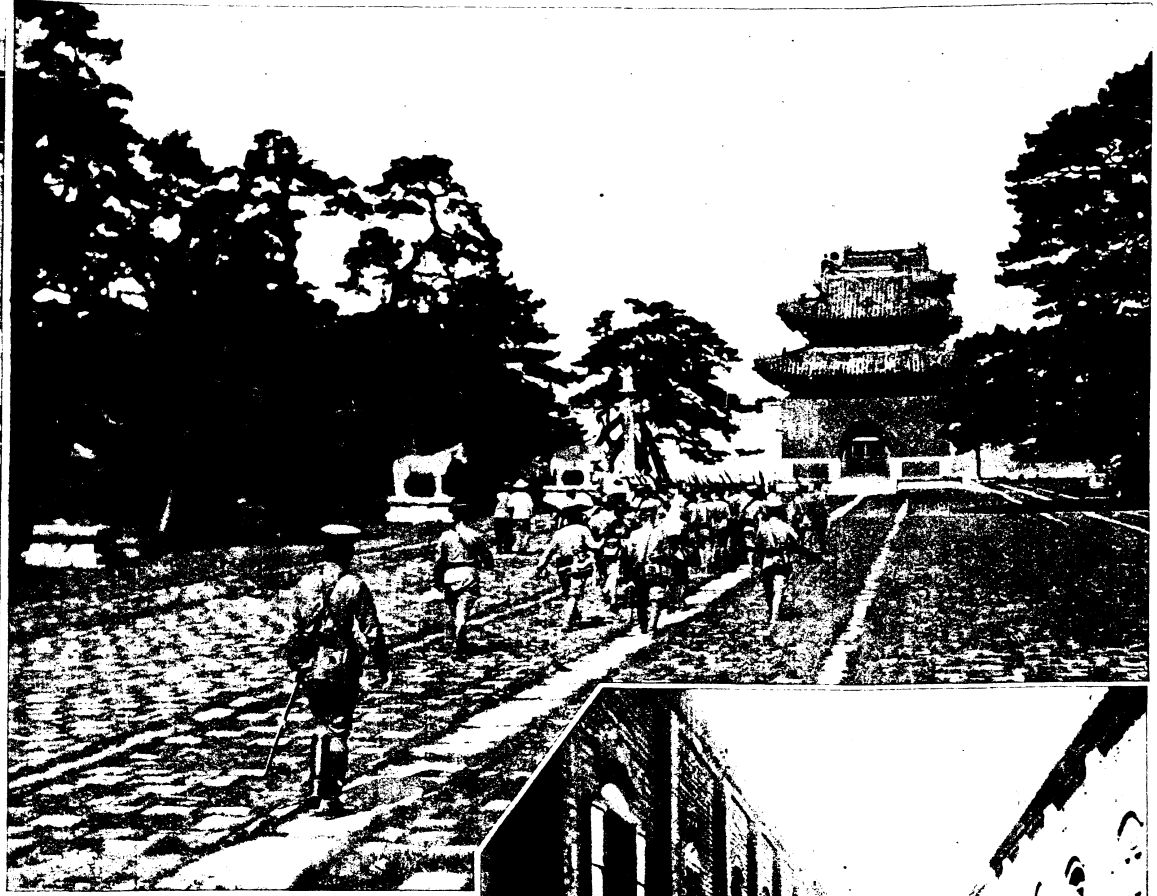
"The Government of China shall undertake to extend the Kirin-Changchun Railway to the southern boundary of Yenchi and to connect it at Hoirong with a Korean railway, and such extension shall be effected upon the same terms as those concerning the Kirin-Changchun Railway. The date of commencing the work of the proposed extension shall be determined by the Government of China, considering the actual requirements of the situation, and upon consultation with the Government of Japan."

It is interpreted that the Kirin-Kaiwei Railway shall be placed under the South Manchuria Railway's management.

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By M. A. O. G. 100-100000  
NARS, Date 12-18-75

1012

# Slow to Take Offence, Imperial Troops, Once Aroused, Crush With Swift Action the Pick of Chang's Army in Single Night



## Chinese Give Extreme Provocation To Japanese Railway Guards

A contingent of the Mukden troops under Major-General Wang 1-tai blew up a section of the track of the South Manchuria Railway near Liuhsukao, a few miles north of Mukden, at about 10.30 on the night of September 18, 1931, on the south-western side of Peitaiyung.

Not only that, they opened fire on the Imperial railway guards who were patrolling there. Upon receipt of the report of the impending danger, the company of railway guards at Hushihai rushed to the scene.

The Chinese troops then took refuge within the Peitaiyung barracks. The Japanese company at Hushihai, which had come to the end of its patience, due to the repeated provocations and affronts perpetrated by the Chinese regulars in the past, fired at the mercenary Mukden troops. In order to avert a counter-attack of the Chinese troops, our soldiers pursued the fleeing Mukdenites into the Peitaiyung barracks. Aided by 7,000 regulars in the barracks, they met the Japanese with a volley which made it imperative for the Imperial soldiers to occupy a part of the barracks to counter the attack.

At once, the Mukdenites, by means of latest machine guns and light field guns, increased their fighting strength and the Japanese company then found itself in a critical condition. First Lieutenant Noda was seriously injured. Consequently, the company asked for reinforcements to the Independent Railway Corps at Mukden. The Second Battalion led by Lieutenant-Colonel Shimamoto, the commander, arrived at the scene of clash in the nick of time. This reinforced the Japanese troops faced the Peitaiyung forces that heavily outnumbered them. The report of the outbreak of the conflict soon reached the Fifth Battalion of the Independent Railway Corps (Commander, Lieutenant-Colonel Tadokoro) which was stationed at Tieling. Without a moment's loss of time, they effected a junction with the Japanese troops at Peitaiyung and helped to drive the Mukdenites away from the barracks by dawn on September 19.

This conflict, like the clash at Nanling and Nenking later, was one of the most difficult operations for the Japanese in Manchuria, and the losses the Japanese sustained were also great.

### Japanese Troops Act Fast

As soon as the military clash occurred, the 29th Regiment under Colonel Hiroto which had been stationed at a place near Mukden commenced an operation at about midnight of September 18 with a view to clearing off about 18,000 Mukdenites scattered in and around Mukden for the maintenance of order and peace within the Mukden city. Simultaneously, Lieutenant-General Tamon, commander of the Second Division who had received the urgent report at Liaoyang, at once ordered his men to concentrate the main force of the division near Mukden.

### Japanese Soldiers Outnumbered

The Chinese army, under General Chang Hsueh-liang at that time numbered 220,000 without counting 110,000 within Mukden, possessing about 216 field guns, while 15,000 with about 40 guns, were posted around Mukden. Against this large army, the Japanese troops numbering only 10,400 were scattered all along the South Manchuria Railway zone. In other words, the Japanese were outnumbered 20 to one and outclassed in the point of supply of ammunition. A moment's delay in the execution of defensive measures against such a colossal Mukden army would have meant complete annihilation of the Imperial troops, as well as Japanese and Chinese non-combatants in Manchuria.

The hardships of the Japanese troops guarding the 1,100 kilometers were beyond imagination of those

people who stay at home. It was their duty to protect the lives and property of more than 200,000 Japanese and 1,000,000 Chinese residing in Manchuria. And in order to do so they had to prepare for Chinese counter-attacks and plundering bands who are liable to strike at the Japanese nationals at any time. It will then, suffice to say, that the Japanese soldiers and officers alike shouldered the heavy responsibility of defence day and night almost without sleep.

strict observance of rigid discipline, the Imperial soldiers, by taking advantage of the railway, were able in each instance to hold the Mukdenites in bay. Imagine the plight of the

### Commander Decides on Punitive Step

In the meantime, Lieutenant-General Honjo, commander of the Kuantung Garrison who, at Ryojun, was quietly following the development of the conflict since the mid-night of September 18 came to a decision at about 3 a.m., September 19. As the result of a conference with his subordinate officers based on the various confidential reports, the Commander-in-Chief of the Kuantung Garrison finally resolved to uphold the dignity of the Japanese army. To give a sound lesson to the Chinese troops at Mukden with the main force of the Kuantung Garrison, Lieutenant-General Honjo left Ryojun for Mukden in the same morning. He requested the Overseas Second Fleet to attend to the protection of Yinchow by a part of the fleet and simultaneously asked Lieutenant-General Hayashi, Commander-in-Chief of Chosen Garrison, for reinforcement.

Upon arrival at Mukden at noon of September 19, Lieutenant-General Honjo placed a part of his troops at the Peitaiyung as guards, and gendarmes, assisted by a part of the Mukdenites who were seeking an opportunity for a counter-attack entrenched at Kuanchengtsue and Nanling.

### Situation at Changchung

In the direction of Changchung, there were scattered some 10,000 Chinese soldiers. For an effective defensive measure, the 4th Infantry Regiment led by Colonel Oshima went out to put them under control at 3 a.m., September 19, but met a stubborn resistance at the hands of the Mukdenites who were seeking an opportunity for a counter-attack entrenched at Kuanchengtsue and Nanling.

Thereupon, the 4th Regiment in collaboration with the First Battalion of the Independent Railway Guards under the command of Lieutenant-Colonel Kokawahara, finally repulsed the opponents after a most severe fight lasting for several hours. At 11 a.m. the Mukdenites abandoned Kuanchengtsue and subsequently retreated from Nanling. By 3 p.m., the Japanese troops completely occupied the two places and removed all the obstacles at the northern gate of the South Manchuria Railway. But, fighting against odds, as it was in all these clashes, the Japanese could not help making considerable sacrifices.

This was partly due to the fact that the Japanese had to engage in fighting at a close range, but chiefly due to the despicable trickery of the Chinese soldiers who fired on the Japanese soldiers by drawing them out with white flags.

The number of Japanese casualties up to the seizure of Nanling from the beginning of the military clash is announced as follows:

At Mukden and vicinity—Killed, 2 privates. Injured, 4 officers and 19 rank and file.

Japanese civilians, had the Japanese troops been forced to take the defensive role. To become masters of the situation was the only way out for the Japanese under the circumstances. By that, it was possible for the Japanese guards to frustrate a positive campaign of the huge Mukden army. In short, the Imperial troops carried out the best and only logical strategy in fighting with a small number of soldiers against great odds.

The main force of the Second Division, namely, the 16th Infantry Regiment stationed at Liaoyang, arrived at Mukden early in the morning of September 19. They advanced to the eastern side of the city and by 8 a.m. drove the Mukdenites outside the Mukden City Walls. Later, joined by the Artillery Regiment at Haicheng (composed of four companies with 16 field guns), the 16th Infantry Regiment put a finishing touch by driving away the Mukdenites at Peitaiyung, which is about 4 miles northeast of Mukden, by 2.30 in the afternoon.

### Kirin Under Japanese Command

The mixed brigade of Lieutenant-General Tamon which arrived at Kirin entered into Kirin city with difficulty. As a result of a negotiation of General Hsi Ha, Chief of General Staff of the Kirin army, Lieutenant-General Tamon had a part of the Kirin troops disbanded and removed the main Kirin force to outside of 20 Chinese Ri. Both sides, thus, succeeded in preventing a clash. Order was soon restored in Kirin. Assured of the peaceful condition, the mixed brigade of the Second Division withdrew to Changchung, leaving behind a small detachment.

Lieutenant-General Tamon entrusted General Hsi Ha to attend to the task of maintenance of order. **Chientao And Other Localities** In Chientao and vicinity, the atmosphere was at once intensified as soon as the news of the Sino-Japanese military clash at Liuhsukao was disclosed. On September 20, Chinese mobs got loose. Some of them blew up the locomotive shed of the South Manchuria Railway at Lungchingtsue, while at Chutseka many cases of dastardly assaults and maltreatment were perpetrated by Chinese on defenceless Japanese. Fortunately, the Japanese consulate police officers succeeded in avoiding any aggravation of the situation.

Besides Chientao, a similar disturbance was wrought by Chinese against the Japanese people in Harbin. For a while, 4,000 Japanese in Harbin were endangered owing to vigorous anti-Japanese measures taken by Chinese since the night of September 20. Driven to the wall, the Japanese residents organized a volunteer corps. This resolute attitude on the part of the Japanese seemed to have subdued the anti-Japanese demonstration for a while. Although the buildings of the Japanese consulate, the Bank of Chosen, Harbin Nichi Nichi (news-



paper) were bombed by Chinese, yet beyond that, no serious damages were wrought.

### Shimmin

At Chenchintun and Hsinmintun, the condition also became precarious for the Japanese. Inasmuch as these places were the key points from the standpoint of communications and (Continued on Next Page)

### Legend:

Top, L to R: With this small number of troops, Japan is to protect the railway zone extending nearly 1,500 kilometers and the lives and property of 1,200,000 Imperial subjects.

A squad of Japanese troops seeking out all the roaming defeated Chinese soldiers before they can commit any mischief, is seen marching through the compound of the North Manchurian Railway. The entrance to the mausoleum is in the background.

Bottom, L to R: A group of Chinese civilians guards organized by the leading Chinese merchants in Mukden at the suggestion of Colonel Dohihara, acting mayor, patrolling the Chinese quarters. Chinese soldiers in the arsenal of the Northern Army, Mukden, are shown surrendering to Japanese troops. They had to be covered with machine guns meanwhile. This was early on the morning of September 19.

Workers preparing for the distribution of free food to the Chinese poor in Mukden. The plan was proposed by acting Mayor Dohihara and was welcomed as most timely, following the practical closure of all shops and the cutting off of all means of food supply for the masses immediately after the outbreak of the emergency. In view of the fact that order and peace were being restored and maintained under the provisional majority of Colonel Dohihara, the Colonel (left) turned over the authority to Dr. Chao Chin-po (right) on October 20. Dr. Chao was the choice of the majority of the local Chinese.

## Japan's Rights Explained

### Right Secured in 1909

(Continued From Page 5)

ment upon its completion, like the Kirin-Changchung Railway.

A preliminary loan contract for the Kirin-Kainei Railway was drawn up between the Chinese Government and a group of Japanese banks, namely, the Japan Industrial Bank, the Bank of Taiwan, and the Bank of Chosen, and the trio of banks invested ¥10,000,000 in the railway, on condition that the formal contract would be signed within six months.

### Road Never Completed

The official contract, however, not merely failed to be concluded within that period, but the railway has never been completed even to this day, on account of Chinese prejudice and anti-Japanese movements.

The railway has been built only from Kirin to Tunhua, and from Kainei to Laotoukou. The section between Kirin and Tunhua, was completed in October, 1928, the construction having been undertaken by the South Manchuria Railway on the request of the Chinese Government.

The light railway between Kainei and Laotoukou was finished in 1924 by the joint investment of Japan and China. The question now left is the reconstruction of this light railway into a wide gauge track and the connection of Laotoukou and Tunhua. The completion of these two parts will lead to the opening of the entire Kirin-Kainei Railway.

This work of perfecting the long railway was undertaken by the South Manchuria Railway following an agreement reached between former Governor Yamamoto of the S.M.R. and General Chang Tso-lin in Peking in May, 1928.

The actual construction, however, never took place due to the sudden death of the Mukden warlord and the stubborn Chinese campaign to check the beginning of the work by the South Manchuria Railway.

### Agreement of 1902

The Kirin-Changchung Railway was planned as a branch line of the Chinese Eastern Railway following a preliminary agreement between China and Russia in 1902. As the result of concluding an agreement be-

tween Japan and China in 1907, and it was decided that China should borrow half of the expense involved from Japan in case she was to build the railway at her own expense.

The details of the Japanese loan were decided in August, 1909, between the Chinese Government and the South Manchuria Railway, and ¥2,500,000, half of the expense for the construction, was duly handed over to China.

The chief engineer and the chief treasurer were appointed from among Japanese experts and the construction was finished in October, 1912, but the business result of the railway was unfavourable.

Later in 1915, China promised to effect revisions in the loan contract upon the wish of Japan, in case the former should allow more advantageous conditions to foreign capitalists as compared with the present railway loan contracts between Japan and China.

As the result, the Kirin-Changchung Railway Loan Contract was signed in October, 1917, the amount being fixed at ¥6,500,000, on condition that the railway should be placed under the South Manchuria Railway's management for 30 years to come.

The railway today, however, is seriously embarrassed financially, due to the Chinese anti-S.M.R. policies, and this line, built with the loan from Japan, is still practically unable to liquidate the principal and interest of the building expense.

## Mining in Manchuria

The surface coal mining at Fushun is one of the most impressive sights in Manchuria. The thickness of the coal vein is said to be unrivalled in the world. The volume of coal buried underground is estimated to total 1,000,000,000 tons. These facts alone will make one realize what an important position the Fushun coal mine development occupies in relation to other Japanese treaty rights in Manchuria and Mongolia.

There were, however, frequent complaints filed by the Chinese Government with the Japanese Government immediately after the Russo-Japanese War as regards the development of the Fushun and Ventai coal mines, and these constituted the subject of diplomatic intercourse between the two countries.

In Article 3 of the Sino-Japanese Agreement Regarding (Continued on Next Page)

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By M.J.F. O. 407433 NARS, Date 12-18-75

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# Routed Chinese Soldiers Run Pell-Mell Before Advance of Resolute, Iron-Disciplined Men of Japan; Peace Follows Nippon Flag



## Chinese Start Firing

(Continued From Preceding Page)

transportation, apprehension was felt that the Chinese forces in those localities might commence a southward movement to Mukden. A detachment of the Japanese troops was dispatched and its presence immediately restored tranquility.

**Dokihara Becomes Mukden Mayor**

For a while, the tension relaxed. Though it was a period of what might be called the lull before a storm, as witness the later conflicts at Angangchi and elsewhere, Japanese military officers attended to the municipal administration temporarily at Mukden in lieu of the Chinese officials. Such an action on the part of the Japanese troops was unavoidable, since there were no Chinese officials available, all having deserted the city at the outbreak of the military clash.

Colonel Dokihara, commander of the Special Service Corps at Mukden assumed the mayoralty. He made great efforts in collaboration with principal Chinese citizens for the maintenance of order. Colonel Dokihara's administration executed in a spirit of fairness as befits a Japanese soldier, was greatly appreciated by the Chinese.

To them, growing under the heavy burdens and extortion imposed by General Chang's henchmen prior to the outbreak of the clash, the Japanese administration was nothing short of a miracle. No wonder, Colonel Dokihara and his staff were acclaimed by the Chinese as their benefactors. Order within the city was gradually restored and from about September 21, the Chinese stores resumed business. Nothing proved so effective for security of order as the strict Japanese military discipline.

With further recovery of normalcy and assurance of the Chinese capability of administration without Japanese aid any longer, Colonel Dokihara returned the city administration back to Dr. Chao Chin-pai on October 20.

## Chinchow Gets Scarce

In the meantime, General Wang I-fai's troops that had fled from Peitaiyung finally joined forces with General Chang Hsueh-liang, the Mukden Warlord at Chinchow after plundering and robbing everywhere they went, on the way. As conditions in that region became so disquieting to the South Manchuria Railway zone, and having ascertained a plan of their counter-attack on the Japanese, the commander of the Japanese troops in Manchuria sent a few aircraft (11 planes, according to the Mukden dispatch to the Mainichi on October 9) for reconnoitering purpose in that region on October 8. As soon as the Japanese arrived there, the Chinese troops fired on the planes, and in response the Japanese army planes

dropped bombs on the barracks of the Chinese troops.

Similar incidents occurred at Taku-shan and Kaopangtse. Especially at Taku-shan, a flight officer received a Chinese bullet in the back of his uniform while reconnoitering.

Besides these outstanding incidents above mentioned, there have been countless cases in which Japanese troops engaged in clashes with straggling banditory Chinese soldiers who made it their practice to strike at defenseless, Japanese and Chosenese residents by shocking atrocities, unit to describe in print.

Notwithstanding the defensive measure adopted by the Japanese troops,

the Chinchow incident appears to have been broadcast abroad, especially to the League of Nations like an example of premeditated aggressive air raid of the Japanese troops. Any one, however, who is likely to believe such a false report betrays nothing but a lack of proper knowledge of the disorderly Chinese soldiers and their spokesmen who are better trained in the school of the so-called propaganda than anything else. Staying far away from Manchuria, it is true that it is almost impossible for the members of the League Council to gain a correct view of the situation; hence their difficulty in rendering a fair judgment on the present controversy.

## Chinese Wave White Flag; Then Fire

After the Chinchow incident, no military clash of any noticeable magnitude occurred between Chinese and Japanese until Japanese troops began repairing on November 4 the Kiangchiao railway bridge of the Taonan-Angangchi Railway. Japanese were obliged to do so because General Ma Chan-shan, commander of the Heilungkiang Army at Chichihar failed to fulfill the Japanese demand for the repair owing to the fact that the bridge was demolished about half a month ago during the internal strife between the rival Chinese warlords, in which General Ma was involved. The Japanese demand was based on the fact that the said railway was built by Japanese money and the line meant a very important tributary

railway for the transportation of rice and grain to the South Manchuria Railway.

The troops had to be dispatched for the work, since the repeated protests of the Japanese Foreign Office filed with General Ma by Consul Shimizu proved of no avail to attain the end, and moreover, a party of Chinese railway men and a Japanese railway advisor had received a machine gun reception at the hands of General Ma's troops when they went to the bridge in accordance with an agreement stipulated between General Ma and the Japanese.

To leave the Taonan-Angangchi Railway out of commission meant a loss of \$13,000,000, the cost of construction and \$4,000,000, the cost of rolling stock to the South Manchuria Railway which was built for the Mukden Government under General Chang. The Mukden Government has not, so far, either refunded the cost of construction or signed a contract. Under the circumstances, the

South Manchuria Railway is justified to claim the Taonan-Angangchi Railway.

On November 4, a contingent of about 1,000 Japanese troops came to blows with General Ma's forces near the Kiangchiao Bridge across the Non River at 2 p.m., and sustained the heaviest losses since the outbreak of the Manchurian Incident, on account of the unpardonable foul play of the Heilungkiang troops.

Prior to the clash, General Ma had concentrated 1,500 infantry, 500 cavalry, 1,300 guards and 32 guns at Taku-shan (near the bridge) to oppose his rival General Chang Hsueh-liang. This force fired on the massed formation of the Japanese troops after drawing the Japanese soldiers close to their camp by hoisting a white flag to indicate surrender, when notified to retire to a point 10 kilometers from the bridge in order to ensure the repair.

The Japanese reinforcement rushed to the scene of the clash and staged an effective counter-attack aided by airplanes that played a stellar role in repulsing General Ma's forces. It was in this campaign that Flight-Lieutenant Ohari of the Japanese Air Force was greeted with a rain of bullets while scouting over the neighborhood of Taku-shan and received a bullet in his thigh.

Reinforced after a grueling fight, the Nippon troops around Taku-shan at the north of the Non River launched a general drive on the Heilungkiang forces and occupied the second position of General Ma's forces at Taku-shan by the morning of November 6. According to the eye-witness, some Russians clad in Chinese officers' uniforms were found among General Ma's troops. The Heilungkiang forces retreated to Angangchi where they are awaiting an opportunity to stage a counter-attack reinforced by the Harbin army of Heilungkiang.

## This in 'Civilized' China

There are hundreds of photographs of the victims of atrocious tortures inflicted by Chinese soldiers on defenseless Chosenese men, women and children, too revolting for reproduction.

Such pictures as those showing a Chosenese child, three years old, with the fingers of his left hand chopped off, as Chosenese farmers' body mutilated beyond recognition—such pictures as these of outrages perpetrated, not by bandits, but by Chinese soldiers in uniform would shock all humanity.

Still China is enjoying the benefit of the doubt at Geneva and is accorded the full status of a "civilized" country.

## Japanese Protect All Foreigners

On the contrary, the Japanese troops who were finally forced to accept the Chinese challenge at the end of repeated provocations are guarding the national dignity and the lives and property of Japanese as well as FOREIGNERS at the risk of their own lives and under most trying conditions.

Many heroic deeds were accomplished by the gallant soldiers. Each and every one of them is the incarnation of patriotism and loyalty. Where an advance was necessary, they dared no matter how pitifully outnumbered they might be in utter defiance of death. The rank and file of the Japanese troops were so full of courage that it is said that at times, commanders and officers rather had a hard time to hold them back.

Some of them, for instance, crawled up as near as 50 metres in front of the opponents and tried to balk the opponents' advance with a machine gun. And when they ran out of ammunition, they jumped into the Mukdenites with sabres and bayonets. One of them came back to his company with six bullets in his body and breathed his last when he found himself among his comrades. Some of the medical corps men rescued wounded soldiers under a rain of bullets, while some met the opponents' volleys at Peitaiyung with a gun captured from them.

Sergeant Sekito, amid a hail of bullets, smashed in the gate of the Peitaiyung barracks. And no sooner had the gate been opened, than he rushed Captain Kawasaki, who made good use of his sword on the Muk-

## 180 Japanese Casualties Produced

In the three day engagement around Taku-shan, because of the Chinese foul play, the Japanese troops suffered casualties of 180 killed and wounded. One special sergeant-major and 35 privates were killed, while seven officers, 15 non-commissioned officers and 122 rank and file were wounded. Two flight officers were also wounded. Three army planes were damaged by shells. The Japanese officers wounded include Major Konoe, Captain Toya, Captain Nemoto, Sub-Lieutenant Inaba and Special Sergeant-Major Musha. The Heilungkiangites left behind 200 dead including a Russian soldier.

The Japanese and Heilungkiang troops are now facing each other in the vicinity of Angangchi, and if General Ma Cheng-shan means what he declares, another clash seems to be inevitable any moment.

ing Manchurian Questions, signed at Peking, September, 1909, it is stipulated as follows:

"Article 3. In regard to coal mines at Fushun and Yantai, the Governments of Japan and China are agreed as follows:—

"a. The Chinese Government recognizes the right of the Japanese Government to work the said coal mines.

"b. The Japanese Government, respecting the full sovereignty of China, engages to pay to the Chinese Government a tax on the coal produced in those mines, the rate of such tax to be separately arranged on the basis of the lowest tariff for coal produced in any other part of China.

"c. The Chinese Government agrees that, in the matter of exportation of the coal produced in the said mines, the lowest tariff of export duty for the coal of any other mines shall be applied.

"d. The extent of the said coal mines, as well as all the detailed regulations, shall be separately arranged by Commissioners specially appointed for that purpose."

## Japan's Monopoly

By virtue of the foregoing agreement, the development of these two coal mines now belongs to Japan's monopoly right and is one of the important treaty rights of Japan.

Just recently, the Finance Office of the National Government of Nanking notified Japan that the duty on the export of Fushun coal to Japan and elsewhere should be increased on and after June 1, 1931, but this is evidently an outrageous attempt to destroy unilaterally what is provided in Article 3 of the foregoing Sino-Japanese Agreement Regarding Manchurian Questions.

The Japanese Government has naturally strongly protested that Nanking's notice amounts to encroachment upon Japan's important treaty right as well as oppression of the South Manchuria Railway Company's enterprise.

According to Article 4 of the agreement, Japan may work all the mines along the Antung-Mukden Railway under the joint investments of Japanese and Chinese capital, but a protest has been made by the United States with the result that this cannot be called an exclusive right of Japan.

## Acquires New Rights

By virtue of the Sino-Japanese Treaty Respecting South Manchuria and Eastern Inner Mongolia (1915),

Japan obtained the right to prospect or work promising mines in the Province of Fengtien (Mukden), and in the southern part of Kirin. The mines concerned are nine in all, mainly coal mines, not including districts already prospected or worked.

In practice, however, the local Chinese Government does not allow the Japanese to prospect or work these mines, taking advantage of their domestic mining law. The only exception is the Anshan iron mine which is now being worked. As regards the few mines now worked under the joint management of the Japanese and Chinese, the Pechihui iron mine is the most prominent.

In Article 10 of the Sino-Japanese Treaty Relating to Manchuria (1905), it is provided:

"The Chinese Government agrees to a joint stock lumber company of Japanese and Chinese being formed with a view to carrying on the business of cutting lumber in the forests on the right bank of the Yalu. The Chinese Government further agrees that the area of land where the business will be carried on, the term of charter, the process of formation of the company, and the articles of business, will be determined in a special agreement. The interest in the company of the Japanese and Chinese shareholders will be equally divided."

## Yalu River Sino-Japan Company

On the basis of this agreement, the terms and regulations of the Yalu River Sino-Japanese lumber company were drafted in 1908. The company was then named the Yalu River Lumber Felling Company. Its capital amounting to 3,000,000 yuan was raised in equal parts by the Japanese and the Chinese. The enterprise was to continue for a period of 25 years with the understanding that the business should be further extended at the expiration of that term, provided the Chinese Government considered the company has carried on its business properly.

So far, the enterprise has been carried on smoothly, but the initial term of its business expires within a few years.

In August, 1918, the Chinese Government concluded a contract with the Chunghua Huiyeh Bank by virtue of which it obtained a loan through this bank from the Industrial Bank, the Bank of Taiwan, and the Bank of China for the amount of ¥30,000,000.

securities the gold mines and forests as well as the in-

(Continued on Page 8)

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Department of State Letter, August 10, 1972  
By M.L. O. Durkin  
NARS, Date 12-18-75

1012



# Japan's Delegate Faces Strenuous Work at League Council in Upholding Rights of Empire

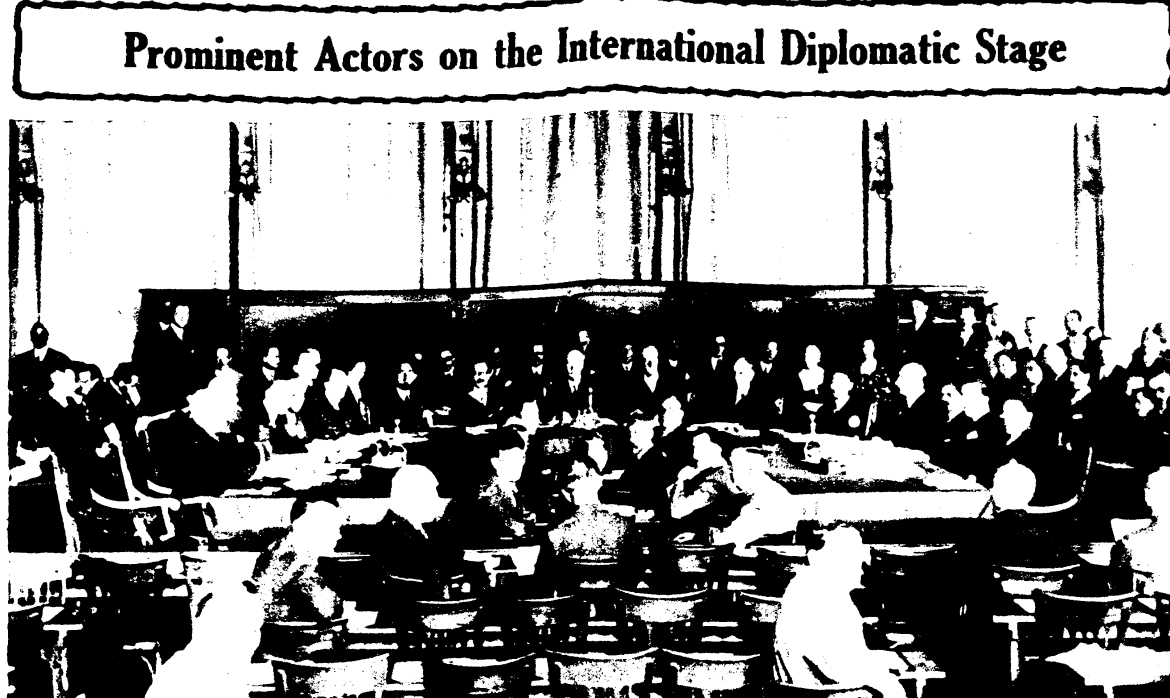
## Prominent Actors on the International Diplomatic Stage



Mr. Aristide Briand  
French Foreign Minister  
Chairman of Council



Col. Henry L. Stimson  
Secretary of State, U.S.A.



The 64th Session of the League Council Taking up the Manchurian Incident, September 19, 1931. From L to R: centre, Chairman Leroux, Spanish Foreign Minister; Secretary-General Sir Eric Drummond, Lord Robert Cecil, British Delegate; and Ambassador Yoshizawa (marked o).



Sir John Simon  
British Foreign Secretary  
Delegate to the Council



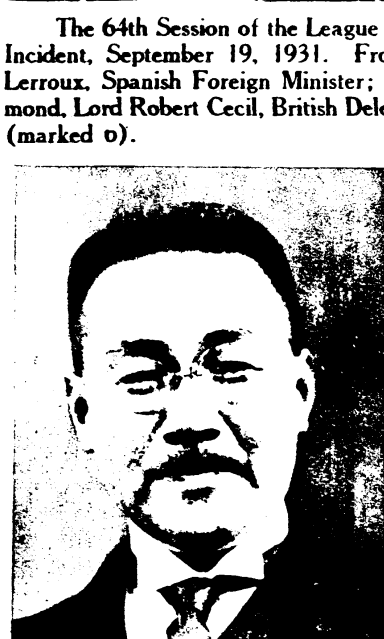
Lord Reading  
British Foreign Secretary  
(Now retired)



Mr. Prentiss Gilbert  
U.S. Consul-General, Geneva  
Observer at Council



General Charles G. Dawes  
U.S. Ambassador to Britain



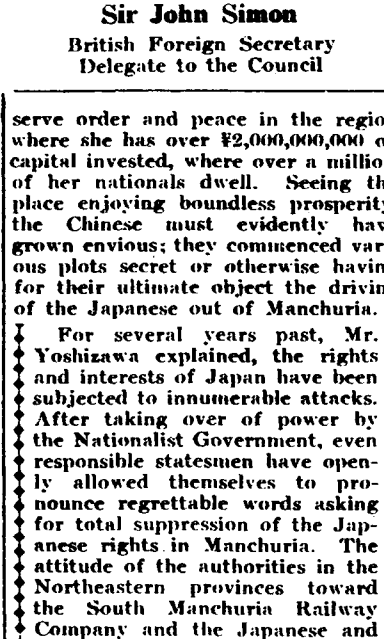
Mr. Shigeru Yoshida  
Ambassador to Italy  
Both Counsellors to Mr. Yoshizawa at Council



Mr. Tameo Matsudaira  
Ambassador to Britain



Mr. Kenkichi Yoshizawa  
Ambassador to France  
Japan's Delegate to the Council



Dr. Alfred Sze  
Chinese Minister to Britain  
China's Delegate to the Council

### A Brief Survey of the League Council Sessions, Geneva, September 17 to October 27, Where Delegate Yoshizawa Had to Fight the Pernicious Influence of Chinese False Propaganda And Misconception of the Situation, Due to Lack of Proper Knowledge of the Part of Council Members.

At the time when the first clash between the Chinese and the Japanese troops occurred at a point on the South Manchuria Railway, the Assembly of the League of Nations was in session at Geneva. The news came like a bolt from the blue. The leaders of the League as well as the delegates of the member States assembled were taken by surprise. The matter was immediately taken up by the Council through request of the Chinese delegate. The Chinese delegate furnished all the data he could manage to gather and on the basis of the information so offered, the Council proposed to pass its judgment on the question.

The official information from the Japanese Government was somewhat greatly delayed. By the time it reached the Japanese delegation the Assembly had already formed its own opinion of the issue for Chinese edification. Once anybody formulates his notions of a matter it is rather difficult to correct them. The Japanese official report presented with full sense of responsibility fell almost upon deaf ears.

The minds which once were misled to a belief that Japan was forcing a war upon China—that she was conducting an aggression upon her neighbouring State—could not be eradicated. This wrong impression has persisted subsequently and even unto this day in the minds of the League's authorities and prevents them from seeing the facts as they are.

For this unfortunate circumstance the Japanese Government is to blame in part, in that it failed to present facts in time. The Chinese Government also cannot escape censure for submitting all sorts of baseless stories conducive to a derogatory impression of the Japanese actions in Manchuria. We cannot, however, get away from the impression that men who are in

a position to deal with international questions from an impartial, detached point of view should be slightly more independent and unbiased in their attitude in considering the vital questions between China and Japan.

It is not permissible for the authorities of the League to be guided in such weighty undertakings by their abstract preconceptions formulated by the skillful insinuation of one of the parties in dispute. It is inexcusable indeed that they should slight the representations of a Government whose sense of responsibility is universally recognized; while placing full confidence in wild stories concocted for convenience by a Government whose unreliability is a matter of universal reproach.

The League Council took up the issue and even seemed at a time to blunder itself into a serious commitment but was saved by wise guidance of some of the more prudent members. Its activity was finally confined to passing a resolution advising the Governments in dispute to refrain under any circumstance from taking steps which might aggravate the delicate situation in Manchuria.

The salient features of the resolution were:

- (1) That the Council recognized the importance of the Japanese declaration that Japan has no territorial ambitions in Manchuria;
- (2) That it noted the statement of the Japanese Government that it was withdrawing its troops to the railway zone in proportion as the safety of the lives and property of its nationals is effectively assured;
- (3) That it noted the Chinese representative's statement that the Chinese Government would assume responsibility for the safety of the lives and property of the Japanese nationals outside the railway zone

when the Japanese troops are withdrawn;

(4) That the Council noted further that the Sino-Japanese representatives have given assurance that their respective Governments will take all necessary steps to prevent any extension of the group of incidents or any aggravation of the situation;

(5) That the Council requests both Governments to furnish it with all the information available relative to the situation in Manchuria.

Both the Chinese and the Japanese Governments accepted the memorandum in good spirit. About a week after the Council had adjourned, however, there developed an unforeseen incident—that of the Japanese air force bombing the City of Chinchow on October 8. The bold action of the Japanese soldiers completely scared the Chinese nation.

Dr. Alfred Sze, the Chinese delegate at the League's Council, made an urgent request, in accordance with the Article 11 of the League's Covenant, for an extraordinary session of the Council. The Council accordingly met on October 13 and resumed the discussion of the Manchurian question.

Instead of Mr. Leroux, the Spanish Foreign Minister who was to act as the chairman of the Council, Mr. Aristide Briand, the French Foreign Minister and the staunch defender of the League, assumed the chairmanship with the general approval of the Council. Mr. Briand recalled the resolution of September 30, whereby the Governments of China and Japan were advised to refrain from taking any steps to aggravate the situation and to do their utmost to restore a normal state of peace in the region.

He regretted, however, that the unfortunate conflict between the troops of China and Japan occurred in different places, of which one at Chinchow was more serious because of the magnitude and character of the military operations conducted by the Japanese. He then called the Chinese delegate to present the Chinese side of the question.

With an unbecoming show of emotion the Chinese spokesman presented at length the opinion of his Government concerning the whole issue. He admitted that he was speaking with an almost irrepressible sense of indignation at what in his opinion was an open act of aggression by Japan. He told at length what had happened in Chinchow—how it was suddenly bombarded and how its inhabitants became terror-stricken. (It may be added here that the Chinese delegate Dr. Alfred Sze did not know where the city of Chinchow was situated and had all information about the city from Mr. Yoshizawa, the Japanese delegate.)

He then assured that the Chinese had taken no action whatever that might provoke the Japanese. Trusting that the authoritative advice of the Council would induce Japan to abide by the terms of the memorandum, the Chinese maintained "dignified calmness" and strived to protect the Chinese citizens. Great, therefore, was the surprise of the Chinese when the Japanese troops undertook a further action of aggression against the "innocent" Chinese.

**Talks Much, Says Nothing**  
The Chinese delegate further stated:

"The League Covenant and the Kellogg Pact are the two sheet anchors to which we have moored our ship of state. They are also the corner stones of the world-wide edifice of peace, and if they crumble, the edifice will collapse. Is it likely that the nations who witnessed this tragic collapse of the Covenant and the Kellogg Pact at the first great test with all its dire consequences throughout the East—is it likely that those nations will assemble calmly at Geneva in February to discuss the disarmament?"

"If we fail now, when America offers cooperation, and fail in February with disarmament, what chance have we for working out some form of permanent association, some provision for a conference under the Kellogg Pact to avert threats to peace, and if the East is plunged into

a state of turmoil what chance have we in securing effective cooperation over the financial and economic crisis that bears so heavily on the world?"

**Yoshizawa Tells Why**  
In reply to the foregoing characteristic Chinese oration so high flown in phraseology and yet containing so little that are real and concrete, the Japanese delegate, Ambassador Yoshizawa, reviewed the history of the Manchurian problem and explained why the course of action which Japan had pursued was absolutely inevitable.

He pointed out that his country had twice risked her very existence to avert imminent peril to Chosen and Manchuria and she considered this region as closely bound up with her own destiny. Japan has no territorial ambition in Manchuria, but possess there vital political and economic interests. She is moreover the defender of the principle of the open door in Manchuria, assuring peace and prosperity to nations of all countries engaged in trade activities in the territory.

He mentioned how out of a wilderness Japan created, through tireless efforts and huge investment, an economic empire prosperous, cosmopolitan and peaceful. That the Chinese are enjoying the full share of the benefit is fully attested by the fact that within 20 years of Japanese enterprise, the number of Chinese living in Manchuria has more than doubled. Every year, nearly a million Chinese flow in from other impoverished parts of their country where pestilence, local disturbances, despotic rulers constantly oppress the inhabitants.

Having developed the neglected region at such enormous cost, Ambassador Yoshizawa went on, it is only natural Japan should feel bound to protect it against the wanton attempts of the Chinese at disturbing its order, destroying the costly enterprises, inflicting danger upon law-abiding citizens of foreign countries. It is Japan's right and duty to pre-

servation and all other administrative measures they shall be placed on an equal footing with Chinese subjects.

"All cases whether civil or criminal, relating to such Chinese people shall be heard and decided by the Chinese authorities in accordance with the laws of China, and in a just and equitable manner."

"A Japanese Consular officer, or an official duly authorized by him, shall be allowed freely to attend the Court, and previous notice is to be given to the Japanese Consular officers in regard to the hearing of important cases concerning lives of persons."

"Whenever the Japanese Consular officers find that decision has been given in disregard of law, they shall have the right to apply to the Chinese authorities for a new trial, to be conducted by officials specially selected, in order to assure a just decision."

All the foreign post offices that functioned in China were closed at the end of December, 1922, as the result of the Washington Conference, and the Japanese post offices in Manchuria were no exception. It was decided, by the terms of the Sino-Japanese Postal Agreement of December, 1922, however, that all the Japanese post offices within the leased territory of Kwantung as well as those in the South Manchuria Railway zone would be permitted to continue functioning as a tentative measure.

The right to have Japanese post offices within the S.M.R. railway zone is certainly a special privilege enjoyed by Japan, though it is nothing extraordinary that

the situation within the leased territory should remain unchanged.

Mention must also be made of the Sino-Japanese Telegraphic Agreement of 1909 which stipulates that the Japanese telegraphic system may be connected with that of the Chinese, and that the Japanese telegraph office may dispatch or receive telegrams to and from various parts of China via the Chinese system.

As regards the wireless service, Japan operates such a service in Dairen and it may be considered, judging by the Washington Treaty and additional statements, that Japan has acquired the express agreement of the Chinese Government thereto.

**Other Treaty Rights**

In addition to the foregoing, the following may be cited as Japan's treaty rights in Manchuria:

1. Japan may establish Japanese settlements at Yingkow, Antung, and Mukden. (Article 8 of the Sino-Japanese Treaty Respecting South Manchuria and Eastern Inner Mongolia).

2. The right to request the protection of the tombs of Japanese officers and men killed in battle as well as that of the patriotic monuments in Manchuria. (Article 5 of the foregoing Treaty.)

3. Japan's priority rights as regards the Chinese invitation of foreign advisers to Manchuria. (Japan made it clear at the Washington Conference that she had no intention of firmly insisting upon this treaty right).

serve order and peace in the region where she has over ¥2,000,000,000 of capital invested, where over a million of her nationals dwell. Seeing the place enjoying boundless prosperity, the Chinese must evidently have grown envious; they commenced various plots secret or otherwise having for their ultimate object the driving of the Japanese out of Manchuria.

For several years past, Mr. Yoshizawa explained, the rights and interests of Japan have been subjected to innumerable attacks. After taking over of power by the Nationalist Government, even responsible statesmen have openly allowed themselves to pronounce regrettable words asking for total suppression of the Japanese rights in Manchuria. The attitude of the authorities in the Northeastern provinces toward the South Manchuria Railway Company and the Japanese and the Chosenese had been singularly provocative for some time past. The murder of Major Nakamura by the Chinese troops is only an expression of the insolent attitude of the Chinese people as a whole toward Japan.

Ambassador Yoshizawa continued to state that in the face of these provocations, the Japanese Government adopted an attitude of moderate conciliation, but it was inevitable that the national sentiment in Japan should be aroused and the public opinion demand a stronger attitude toward China. At this critical juncture the incident occurred which was the fatal prelude to the subsequent Manchurian trouble.

The attempts of the Chinese regular soldiers at destroying a section of the South Manchuria Railway track compelled the Japanese guards to take action and engage in battle with the bandits. There was a great danger of the unfortunate strife being rapidly aggravated as the news spread among the Chinese troops. There was no knowing what might follow if these troops were left free to perpetrate their outrages in the region where Japanese dwell in hundreds of thousands. Plunder, massacre and incendiarism are their usual practice when they have the chance to indulge in license.

Realizing the grave consequences that were imminent, the headquarters of the Japanese troops mobilized the guard forces and temporarily occupied the strategic points so as to forestall counter attack by the Chinese soldiers, numerically outnumbering the Japanese forces by 20 to one. With reference to the bombardment of Chinchow, Ambassador Yoshizawa explained that it was purely a defensive measure. He stated that in order to observe the movements of the Chinese marauding troops which took refuge in Chinchow a number of military airplanes were dispatched. These airplanes were subjected to a heavy fire by the Chinese and were therefore forced to defend themselves by dropping bombs on the Chinese troops.

Ambassador Yoshizawa reiterated his Government's desire to enter into direct negotiations with the Chinese Government for settlement of numerous pending questions and with a view to prompt restoration of peace and order in Manchuria. Instead of showing a sincere wish to collaborate with the Japanese Government in this constructive enterprise, however, the Chinese have exaggerated their anti-Japanese movements, boycotting Japanese goods, inciting violence against the persons and properties of Japanese nationals, etc. He stated that these acts were clearly provocative

of war and contrary to the advice the League Council had given to the Chinese Government.

He emphasized the fact that Japan had been eager to withdraw her troops to the railway zone but had not been able to do so in view of the impending danger to her nationals. He said in conclusion:

"I have already declared in the name of my Government that it has a firm intention of withdrawing its troops within the railway zone as the security and the protection of our nationals are effectively assured. Under the circumstance the most essential and fruitful task of the Council is to seek first of all the means calculated to bring about the moral disarmament of the two nations. If the Chinese Government makes serious efforts to check the anti-Japanese agitation and draws up a common agreement with us such a nature as will permit the re-establishment of normal relations between the two nations, it will greatly contribute to bring about the appeasement and relaxation of the situation and hence prompt the withdrawal of the troops."

Following this first and stormy sitting, the Council held a series of secret meetings, excluding the Chinese and the Japanese delegates in which it discussed the plan of inviting the American Government to send an observer to the Council. Eventually it was agreed to extend an invitation to Washington to that effect. The leaders of the Council did not apparently suspect that the step the Council had taken would encounter the opposition of either the Chinese or the Japanese Government. Contrary to their expectation, the Japanese Government came out with a stubborn opposition to the participation of the American Government in the deliberation of the League's supreme organ.

The delegates of Britain, France, Italy and others who assumed leadership in the passing of the resolution were surprised by the strong attitude of Japan. They had imagined that the inclusion of the United States in the deliberations on the question would greatly add to the binding force of the League's decisions, and would even lead to the coveted entrance of America to the League.

They thought that the United States being such a powerful country Japan would never dare to oppose the American participation in the Council, which would surely mean a serious moral setback for Japan. Great, therefore, was their dismay when Japan "dared" what they had anticipated would be impossible.

### Ground of Opposition

The ground of Japan's opposition was that the United States is not a member of the League; why then should she, alone of many other States not members of the League, be invited to sit on the Council just at this time when it is to discuss the question of Manchuria? Such a step, it contended, is contrary to the provisions of the Covenant of the League. Against this contention the Council members, notably the British and the French delegates, argued that the question is a matter of simple procedure and that it was wholly within the power of the Council to decide it.

Aroused by the arbitrary procedure of the Council, the Tokyo Government addressed a note of protest strongly pointing out the impropriety of the step the Council proposed to take. In part the note stated:

"The Japanese Government has hitherto faithfully cooperated in the (Continued on Page 9)

### Japan's Rights Explained

#### Yalu River Sino-Japan Company

(Continued From Page 7)

come derived therefrom in Kirin and Heilungkiang Provinces.

Under the conditions of the contract, it is provided that the gold mining bureau and the afforestation bureau be newly organized in these provinces and that Japanese experts be employed. The period of the loan extending to 10 years has expired, but nothing tangible has come out of these conditional proposals.

### Judicial Issues

The Japanese consuls exercise jurisdiction over the lives and property of the Japanese residents in China by virtue of the consular court rights (extraterritoriality) provided in the Sino-Japanese Treaty of Commerce and Navigation concluded in 1866. The jurisdiction, however, concerns only the Japanese residing in the open ports in China as this treaty does not permit the freedom of the Japanese residing, conducting business, or going to and coming from places other than the open ports.

Following the conclusion of the Sino-Japanese

Treaty Regarding South Manchuria and Eastern Inner Mongolia (1915), generally known as the 21 Demands Treaty, however, the Japanese obtained the right to dwell in the Chinese district in South Manchuria and to carry on agricultural enterprises under joint management with the Chinese in eastern inner Mongolia.

The conclusion of this new treaty naturally gave rise to the necessity of drafting regulations concerning the exercise of jurisdiction over the Japanese in places other than open ports.

The Japanese going to Inner Mongolia have thus come to share extraterritoriality in the same way as those in the open ports as a basic rule where civil law is concerned.

### Peculiar Local Right

What might be considered a peculiar local right in Manchuria is the Japanese participation in the court proceedings in Hsientau when the cases concern the Chosenese living there.

According to Article 4 of the Agreement Regarding the China-Chosen Boundary:

"The Korean (Chosenese) people residing on the agricultural lands within the mixed residence district to the north of the River Tufen shall submit to the laws of China and shall be amenable to the jurisdiction of the Chinese local officials. Such Chosenese people shall be accorded by the Chinese authorities equal treatment with Chinese subjects, and similarly in the matter of

M. J. O. Shufeldt 12-18-75

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# While League Council Considers Steps Toward Peace, China Goes on Provoking Japan

## League Learns From Yoshizawa New Lessons on Japan And Manchuria

(Continued From Page 8)

enterprises of the League of Nations and has always made an effort to enhance the dignity of the League. It holds the opinion that the action of the League should be strictly in accordance with the stipulations of the Covenant and should be careful and just. For the League to be influenced by the consideration of its temporary convenience and to disregard the stipulations of the Covenant cannot be regarded as calculated to uphold the dignity of the League.

"When the question of inviting the United States to send an observer to the League Council was taken up by the Council, the Japanese representative expressed his doubts as to whether the presence of an observer from a non-member nation would be in accord with the stipulations of the Covenant.

"The Council has not completed its deliberation on these points but the president in disregard of the Japanese proposal that the matter be referred to a committee of legal experts, ruled that the legal consideration should be deferred until a later date and at once announced that the voting on the matter was in order. "It has been pointed out that the United States being the initiator of the Treaty for Renunciation of War should be allowed an opportunity to voice her sentiment in the Council, in so far as this concerns the matters pertaining to the stipulations of the treaty. The Japanese Government firmly believes that there is danger of the present state of affairs leading to war between China and Japan.

Not only that, the Treaty for Renunciation of War is one to which scores of nations, including non-members of the League are parties. Is it, then, proper to allow an American observer alone to attend the Council session? This issue is liable to create a difficult situation."

Virtually ignoring Japan's reasonable protest against the deviation from the rules of the League, the Council proceeded on its own course of action and extended an invitation to Washington. The American Government accepted the invitation and appointed Mr. Prentiss Gilbert, the American Consul-General in Geneva, as the observer. In doing so, the State Department took special pains to emphasize the point that the American participation was confined to that part of the Council's procedure which has direct bearing upon the enforcement of the Kellogg Pact.

### U.S. Participation

The question of the American participation in the Council has been settled for the time being in the way the League wished, the Council resumed the discussion of the Manchurian question. At the secret meetings held excluding the Japanese and the Chinese representatives and attended by representatives of 18 countries, including the United States, the Council adopted four tentative decisions as basic principles to be observed by the parties concerned. These were:

1. The Japanese troops in Manchuria should retire to their original positions as the first step for the solution of the question, prior to direct negotiations between China and Japan.
2. China should make a promise to respect the existing treaties.
3. The League Council should take effective steps for the solution of the question according to the provisions of the Kellogg Pact.
4. World public opinion should be mobilized to exercise moral pressure on the parties involved.

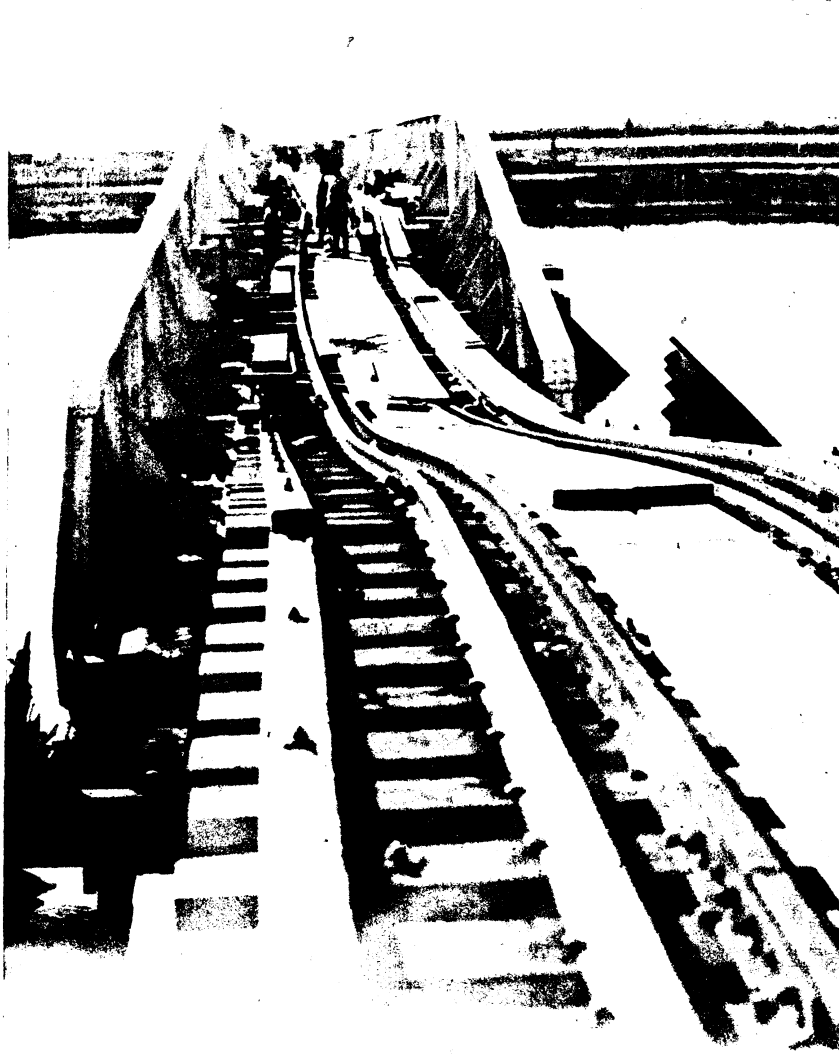
It is evident that the first of these decisions runs counter to the intention of the Japanese Government. It later transpired that this proposal was strongly urged by the British delegation. The second item was to court Japan's satisfaction but it is certain that the Chinese would not acquiesce to it. The third item was intended to give meaning to the American participation in the Council as well as to aid in the settlement of the whole Manchurian question. The fourth item, of course, was to enhance the League's dignity and to reinforce the binding power of its decisions.

### Yoshizawa's Statement

Having reached accord on the foregoing proposals, the Council announced that it would discuss them in full sessions including the delegates of China and Japan. Prior to the announced meetings, Delegate Yoshizawa submitted a formal statement in which he foreshadowed the attitude of his Government vis-a-vis the new proposals.

In this statement the Delegate expressed his Government's satisfaction with the Chinese promise to guarantee the security of the lives and property of the Japanese subjects domiciled in Manchuria, but pointed out that Japan could not entirely rely upon the promises of the Chinese Government, which had proved empty on so many occasions in the past.

For example, the Chinese delegate had declared that his Government had issued an order to stop anti-Japanese activities throughout the country. The order may have been issued, but the fact remained that the same



Good Object Lessons: Left, The bridge on the Non River which the Chinese destroyed and which Japanese troops had to repair under the treacherous fire of a motley crowd of uniformed bandits. Right, The steps to the front entrance of the building of



the Sino-Japanese Culture Society at Harbin after the explosion of a bomb on September 24 set by a Chinese mob. Some seem to expect Japan to look on with folded arms at this outrageous vandalism on the part of the Chinese.

movements continued with growing intensity.

The security of the Japanese nationals is a matter of vital importance which could not be safely entrusted to a government whose pledges have carried so little weight. If the Chinese Government was really earnest in its solicitation of peace, the Japanese statement specified, it must first of all stop hostile actions against the Japanese troops, and show sincerity in fulfilling their provisions. The matter of foremost importance, Mr. Yoshizawa declared in conclusion, was not the question of withdrawal of Japanese troops mobilized to preserve peace and order, but was that of effective protection of Japanese nationals exposed to danger of the hostile Chinese.

In the meantime, the Signatory Powers of the Kellogg Pact addressed identical notes to the Tokyo Government expressing their deep concern at the restless situation in Manchuria and hoping for the prompt and amicable settlement of the dispute. To these Powers the Japanese Government sent a reply which stated as follows:

### Protective Measure

"The Japanese Government realizes as fully as any of the other Signatories of the Pact of Paris the responsibility incurred under the provisions of that solemn pact. It has made it clear on various occasions that the Japanese railway guards in taking military measures in Manchuria since the night of September 18 last have been actuated solely by the necessity of defending themselves as well as protecting the South Manchuria Railway and the lives and property of Japanese subjects against the wanton attacks by Chinese troops and armed bandits.

"Nothing is further from the thoughts of the Japanese Government than to have recourse to war for the solution of Japan's outstanding differences with China. It is the Government's settled aim to compose those differences by all pacific means.

In the note of the Japanese Minister of Foreign Affairs to the Chinese Minister at Tokyo dated October 9, the Japanese Government has already declared its readiness to enter into negotiations with the responsible representatives of China for an adjustment of the present difficulties.

### Same View Held

"It still holds to the same view. So far as it is concerned, it has no intention whatever of taking steps that might hamper any efforts intended to assure the pacific settlement of the conflict between Japan and China. On the other hand, it has repeatedly called the attention of the Chinese Government to the organized hostile agitation against Japan now in progress in various parts of China.

"The Japanese Government desires to point out that such acquiescence by the Chinese Government in the lawless proceedings of their own nationals cannot be regarded as being in harmony with the letter or the spirit of the stipulations contained in Article 11 of the Pact of Paris."

### Asks For Impossible

The League Council in its session of October 22 discussed the earlier decisions and on the basis of these decisions formulated a resolution which, taking note of the declaration of the Japanese Government that it had no territorial ambitions in China, that it is prepared to withdraw its troops as soon as the safety of its citizens is assured, and that the Chinese Government pledges to carry out all the necessary measures for this latter purpose, recommended that "the Japanese Government begin immediately and proceed progressively with the withdrawal of its troops into the railway zone so that the TOTAL WITHDRAWAL MAY BE EFFECTED BEFORE THE NEXT MEETING OF THE COUNCIL."

The Japanese delegate opposed the draft resolution on the ground that it was totally impossible to promise the withdrawal of troops before the specified date, since the actual situation in Manchuria did not warrant such a consummation. Mr. Yoshizawa, however, was subjected to a series of sharp questions by other members of the Council as to the reason why his Government was unwilling to abide by the "reasonable" request set forth in the draft resolution.

Mr. Yoshizawa did his best to clarify the position of his Government, but his efforts proved in vain. The Council put the resolution to the vote with the result that it was supported by 13 votes against one of Japan. The 13 members who voted for the resolution were representatives of Poland, Peru, the Irish Free State, Panama, Guatemala, China, Yugoslavia, Spain, Germany, Italy, France, Norway, and Britain.

### Unanimous Vote Needed

Inasmuch as a resolution of this sort requires a unanimous vote in order to go into effect, Japan's opposition barely checked its immediate enforcement. Nevertheless, the national opinion in Japan was greatly aroused over the apparent show of hostility by the Council against Japan. The Tokyo Government felt called upon to issue a public statement and declare Japan's position in the Manchurian question once again.

On October 26—two days after the Council had adjourned—it issued the public declaration, the gist of which was as follows:

1. The League Council's draft resolution and Japan's counter-proposal relative to the questions pertaining to the commencement of the direct Sino-Japanese negotiations and the withdrawal of the Japanese troops to the South Manchuria Railway zone, failed to pass the League Council.

2. The responsibility for the Manchurian incident, as repeatedly declared by Japan, rests with China, because it was caused by the lack of discipline in the Chinese Army.

3. The stationing of a small number of Japanese troops in Manchuria was and is urgently necessary for the protection of the lives and property of the Japanese residents.

Nothing is further from the thought of the Japanese Government than employing military force in the settlement of the Sino-Japanese controversy and the stationing of Japanese troops in Manchuria does not, in the

least, mean a coercive method in the settlement of the dispute.

3. Unfortunately, of late the movement for the recovery of state's rights has reached the extremity of radicalism in China and the anti-Japanese movement has been and is being propagated even by means of textbooks for various grades of the schools in China.

In utter disregard of history and the treaties, China has been resorting to methods destructive to the existing treaties with Japan.

Judging by history and the present chaotic conditions in China, it is a matter of certainty that the withdrawal of the Japanese troops to the South Manchuria Railway zone at this juncture would create a situation still worse.

4. In order to protect the lives and property of the Japanese nationals in Manchuria, the Japanese Government deems that there is no alternative other than to dispel the mutual animosity and suspicion between the two countries.

Accordingly, the Japanese Government drafted five basic principles and presented a memorandum to the Chinese Government through the Chinese Minister in Tokyo on October 9 and also reported to the League Council that the Japanese Government was then ready to commence direct negotiation between China and Japan.

The five basic principles, on which Japan wants to negotiate, are:

- a Mutual renunciation of any action and policy of aggression.
- b Japan's respect of the territorial integrity of China.
- c The effecting of a thoroughgoing restriction of the organized movement intended to arouse mutual animosity and antipathy among the two peoples and of any similar movement hindering the

mutual freedom of trade and commerce.

d The taking of measures for the protection of all peaceful enterprises by Japanese nationals in various places in Manchuria.

e Definite observation of the rights acquired by Japan through treaties.

The foregoing basic principles, the Japanese Government believes, are compatible with the object and spirit of the League of Nations and are the basis for the realization of permanent peace in the Far East.

The reason why the Japanese Delegate in Geneva did not take up the particulars of the basic principles as a subject for discussion was that the Japanese Government, by their very nature, deemed them to be the matters to be discussed and settled directly between China and Japan.

5. It is high time that both China and Japan should strive for the restoration of amicable relations by proceeding on the road of mutual consultation based on the principle of live and let live. For this purpose, the Japanese Government is prepared to negotiate with China for the conclusion of an agreement on the basic principles stated.

With this, the stormy session of the Council was closed until November 16. A few days later, however, the Japanese Government was surprised to receive a note from the Nanking Government requesting the delivery of the occupied zone in accordance with the resolution adopted by the League Council. Japan had understood that the League itself had not understood that the resolution did not go into effect because it failed to obtain the necessary unanimous vote.

The Chinese message stated: "As the Chinese Government is prepared to accept the delivery of the occupied territory and undertakes to maintain

peace and order therein after the withdrawal of the Japanese troops, it desires to open direct negotiations regarding the withdrawal of the Japanese troops." The Foreign Office turned down the Chinese overture for direct negotiation.

### Situation Worse

The situation in Manchuria, in the meantime, has undergone no improvement. On the contrary, the marauding Chinese troops have gathered together at various strategic points and thence challenged the Japanese troops. Attacks upon harmless civilians domiciled in the interior of China have continued and every day has brought news of the brutal massacres of many of them, following plunder and incendiarism.

The Heilungkiang forces under the command of General Ma Chan-shan in particular have offered strong resistance against the Imperial Army and from time to time have inflicted heavy losses upon it. It is alleged that General Ma has the secret backing of a certain government. Under the circumstance it is entirely out of the question for Japan to consider the withdrawal of her troops from a regions filled with disorder and confusion.

### League Still at it

The League of Nations had not stopped its activity for the intervention of the Sino-Japanese conflict. On November 4, Eric Drummond, Secretary-General of the League, conveyed to the Ambassador Yoshizawa a note prepared by Monsieur Briand, the chairman of the Council, purporting to be the reply to the Japanese declaration of October 26.

The note stated that independently of the resolution voted by the Council, which retained full moral force, there was still before the Council a valid decision adopted on September 30, which also retained its power—a decision in which the Council noted the statement of the Japanese Government that it "will continue as rapidly as possible the withdrawal of the Japanese army, which has already been begun, into the railway zone proportionately as the safety of the lives and property of the Japanese nationals is effectively assured and it hopes to carry out this intention in full as speedily as possible."

After expressing the belief that the Chinese Government would live up to its pledges of safeguarding the lives and property of Japanese nationals after the troops are withdrawn, the note concluded by saying that the Japanese attitude is a violation of Article 10 of the Covenant of the League of Nations and Article 2 of the Paris Pact. It stated that the Chinese Government must not be forced to agree to any terms under the pressure of military occupation and that the Council looked confidently to the members of the League of Nations and the United States not to suffer the Covenant of the League and the Pact of Paris and the Nine Power Treaty of Washington to be trampled under foot.

The note was rather serious in its implication and in the concluding remarks. The Japanese Government accordingly sent a reply to the note of Mr. Briand dated November 7. The reply in part read as follows:

Having referred to Tokyo your communication under acknowledgment, I am now charged to assure you that my government has submitted it to their most serious consideration, and that they highly appreciate your sympathetic concern in the present situation in the interests of international peace and good understanding.

I am further instructed to convey the entire concurrence of my Gov-

ernment in Your Excellency's remark that the Resolution adopted by the Council of the League of Nations on September 30 remains in full force and effect. The Japanese Government is determined to carry it out in the letter and in the spirit, and it re-affirms its earnest desire to proceed to the withdrawal of the Japanese troops to the railway zone with the minimum of delay.

But the Resolution of September 30 consecrated the principle that effective security must at the same time be assured for the lives and property of Japanese subjects; and in the state of tension which at present unfortunately exists, it is not possible to hope that the withdrawal of the Japanese forces would immediately give place to a regime of settled peace and order under Chinese auspices.

### Danger Ahead

Japan and China would simply be exposed to a speedy recurrence of untoward incidents. There can be no security for foreign residents, where hostile agitation against them is allowed to proceed, where efficient protection to them in their peaceful pursuits is denied by the local authorities, or where their treaty rights are systematically ignored.

Having regard to the actual conditions in Manchuria, the Japanese Government has regretfully been brought to the conclusion that the dangers involved in a precipitate recall of the Japanese troops could not be averted by measures of supervision, such as are in Your Excellency's note under review.

It is pointed out in your note that the first four points of the five fundamental principles mentioned in the Japanese Declaration of October 26 are virtually embodied in the proposition of October 24. Your Excellency, however, will no doubt perceive that the terms of that proposition are not sufficiently explicit or comprehensive to cover the full implications of the four points in question.

As regards the fifth point, viz., the guarantee of respect for Japanese treaty rights in Manchuria, the terms of the letter addressed to you on October 24 by the Chinese representative seem to give rise to a doubt whether it is in the contemplation of the Chinese Government to call in question the validity of some of the treaties constituting the basic arrangement of the relations between Japan and China.

It may be needless to state that the Japanese Government could not for a moment entertain such a contention. Nothing can be more destructive of the established order of the whole world than to permit any Power to challenge the binding force of treaties concluded with all the solemnity of international law.

The Japanese Government trusts that it has made it clear that the five fundamental principles mentioned in the Japanese Declaration of October 26 are no more than those that are commonly observed in the intercourse of ordered communities with one another.

Unless and until an arrangement is reached between Japan and China on the basis of a sincere agreement and a measure of security for the lives and property of Japanese subjects sufficient to enable the withdrawal of the Japanese troops to the Railway Zone can possibly be assured.

The Japanese Government believes that the course of procedure now indicated is in entire agreement with the Resolution of the Council of September 30. It is far from their thoughts to insist on the final adjustment of the whole series of pending questions between Japan and China, as a condition precedent to the withdrawal of the troops.

### Best Way to Solution

All that they urge upon China for the present is a frank recognition, by direct negotiations between the two parties, of the fundamental principles that should govern normal relations between any two nations. Such an accord will be a long step toward replacing the existing tension by a sense of stability between the peoples of the two nations, whose interest it is to be on the best of terms.

One important fact which Japanese cannot overlook in the League's interference in the Manchuria issue is the element of international politics involved in it. The Chinese have always been known for their extraordinary talents in conducting propaganda and intrigues in politics and diplomacy. The interference of the League in the Manchurian question afforded a rare opportunity to the Chinese to utilize their diplomatic tactics to the fullest of their ability. They not only skillfully conducted propaganda to misrepresent Japanese motives, but they managed to enlist the tacit support of certain Governments.

The country which gladly permitted itself to be influenced by the Chinese manoeuvres has been Great Britain. The British motive in being thus easily swayed by the Chinese insinuations and throwing her mighty influence on to the side of China is not known. Rumour has it that the British representative in China has entered into an agreement with General Chiang Kai-shek in which Chiang has promised certain special privileges to Britain as the reward for friendly considerations.

Of course the British Ambassador in Tokyo declared that the rumour was entirely baseless. On the other hand, some of the British papers have been loud in condemning Downing Street for being unduly friendly to the Chinese at the price of provoking hostile sentiment of the Japanese nation. While it is not certain to what extent this supposition is true, it would be a regrettable thing indeed, if taking advantage of the Sino-Japanese dispute, any third party tried to mould the situation to its own benefit. It was through such attempts that serious international troubles have occurred in the past. The League of Nations with its mission to maintain the peace of

(Continued on Page 11)

## World—Manchuria—Japan

A land of boundless natural resources in the outskirts of civilization, lying in the path of competing national aspirations—that is the world's Manchuria.

A safety zone for the Empire's security, a life line for the national existence, a land for which her people have made the greatest patriotic sacrifice and upon which the nation's very economic future is staked—that is Japan's Manchuria.

The world may be forgetful, but can Japan ever blot from her memory the Sino-Japanese War—the three-Power intervention—the Tsar's dream of a new empire—the Sino-Russian secret treaty—the Russo-Japanese War—the opportunities sought for America by Harriman, Knox, Straight, and Stevens—the British investment in the Peiping-Mukden Railway—the Soviet influence through the C.E.R.?

Once a personal possession of the Manchurian emperors and never ruled as a part of China proper, a hunting ground for roaming bandits, a territory nearly sacrificed to the Tsar, and a haven under Nippon's protection for the millions of China's civil-war ridden people migrating from the South—that is China's Manchuria.

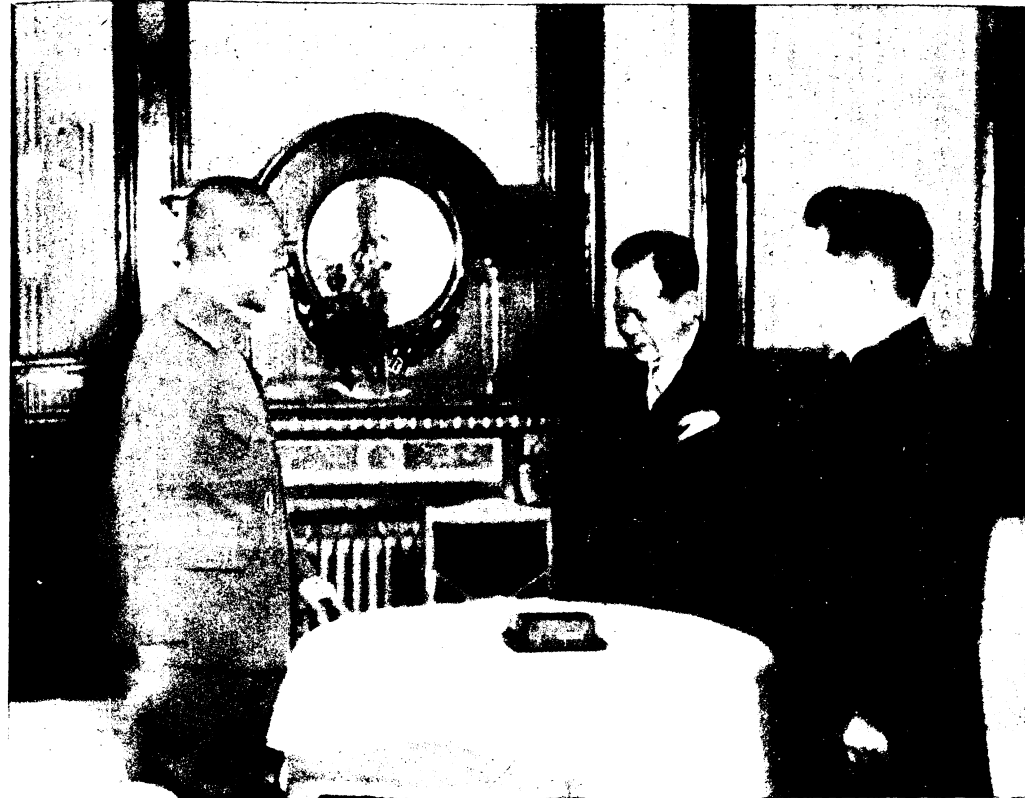
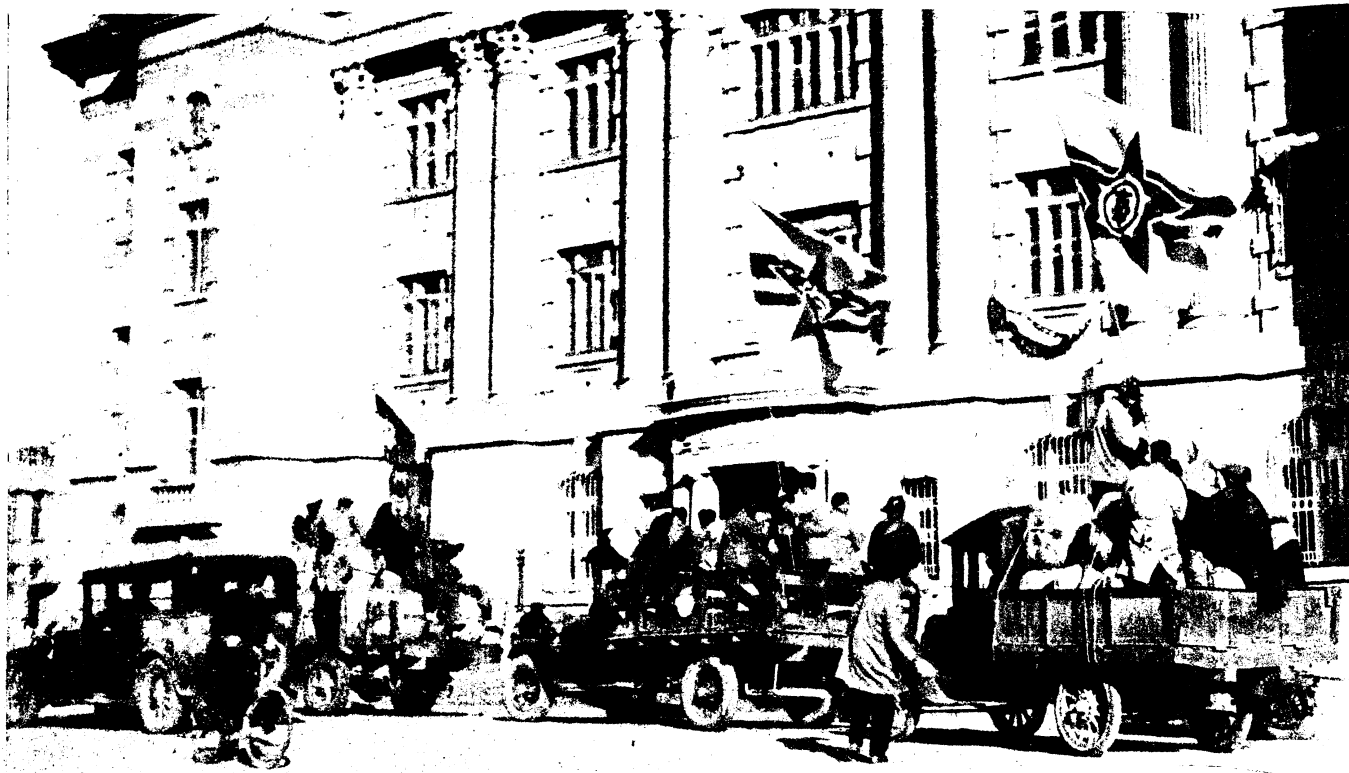
When the Powers signed the Washington Treaty, the League Covenant, and the Kellogg Anti-War Pact, was it their aim to undo the 20 long years of development and cultivation in Manchuria brought about by Japanese tenacity and perseverance?

Peace in Manchuria must be founded upon righteousness. If the world stands for justice, its paramount obligation is to locate a point of harmony between China's territorial integrity and Japan's rightfully acquired special privileges.

Manchuria must be restored, not back to the state of affairs as on September 18, 1931, but to the condition of peace and security guaranteed by the very treaties with which the Powers and China are trying to handcuff Japan.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State Letter, August 10, 1972  
By M. A. O. Buckner, NARS, Date 12-18-75

# In China Lawlessness Is Law, Mob Rule Is Rule— And Even Common Decency Is Cast to Winds



## Chinese Boycott

(Continued From Page 10)

Japanese including children and aged people were murdered at Kowloon, the British territory opposite Hongkong. The outlook developed from bad to worse.

### Wuhu

(Japanese population: 72)  
The photograph of H.M. the Emperor was removed from the local consulate to the Japanese gunboat Uji in view of the threatening developments.

### Chungching

(Japanese population: 104 including one Chosenese)  
With the accelerating of the anti-Japanese enthusiasm, the local Chinese showed signs of attempting to restore the Japanese settlement to China by force. The Japanese steamer Unyo Maru was sent to this city in order to carry the Japanese refugees to safety.

### Tangshan

(Japanese population: 82, including six Chosenese)

### Changli

(Japanese population: 17)

### Hsuanichiao

(Japanese population: about 30)  
All the Japanese residents in Tangshan and Changli left these places for either Chinwangtao or Tientsin, while all the Japanese women in Hsuanichiao left for Peking.

### Tsinan

(Japanese population: 3,038, including 2,990 Japanese and 93 Chosenese)

The Chinese newspapers here carried false stories, stating that the Japanese troops had occupied Hsien-tai and Changli. The Chinese public hoisted flags at half mast and all the theatres were closed on September 23 by way of expressing mourning.

## Japan Hard at Work to Enlighten World With Real, Uncoloured Facts on Manchuria

(Continued From Page 5)

the world cannot very well overlook such surreptitious attempts if these were ever made, in fact.  
That the League has manifestly shown itself to be excessive friendly toward China while taking a suspicious attitude toward Japan has been the cause of no small regret to the Japanese nation. The League's secretariat, supposed to maintain an absolutely detached viewpoint in international questions, has seemingly allowed itself to be influenced by its sentiment or prejudice.

More recently it exaggerated its pro-Chinese attitude and has come to busy itself with the broadcasting of Chinese propaganda dope. Some of the influential members of the Secretariat headed by Dr. Reichmann stay in Nanking and assists the Chinese in the manufacturing of "reports" contrived to deceive the people largely ignorant of the facts involved in the Manchuria question. Sir Eric Drummond, Secretary-General, being a British subject naturally sympathizes with the Chinese and has been doing all within his power to turn the tide of affairs to the Chinese advantage.

At last wearied by the flood of

### Amoy

(Japanese population: 7,855, including 358 Japanese, 21 Chosenese, and 7,476 Taiwanese)

### Swatow

(Japanese population: 603, including 179 Japanese, one Chosenese, and 423 Taiwanese)  
The anti-Japanese sentiment grew conspicuous developing for the worse rapidly, thereby creating poignant uncertainty among the Japanese residents in these places.

warning notes addressed from the Secretariat, largely based upon the propaganda reports emanating from Chinese sources, the Japanese Government decided to send a note of strong protest. Foreign Minister Baron Shidehara, on November 9 sent instructions to the Japanese delegates, Ambassador Yoshizawa and Minister Sawada, to protest against some of the thoughtless actions of the members of the Secretariat as well as of Mr. Briand, the chairman of the Council. The protest which the delegates addressed to the League read in part as follows:

"The Chinese, however, have conducted propaganda falsifying facts, not only giving their reports to the newspapers but also sending them out in the style of formal notes addressed from time to time to the secretariat of the League of Nations and to the member nations of the Council. The League secretariat and the president of the Council, without ascertaining the truth or falsity of the Chinese reports have accepted them, making them the basis of their discussions in the League Council."

"Not only that, Mr. Aristide Briand, even during the recess of the Council, has sent frequent notes of protest to the Japanese Government on the basis of the Chinese propaganda reports. This is disregarding the diplomatic usages."

"This attitude of the League gives rise to the suspicion that the League is purposely continuing an unfriendly attitude toward the Japanese Government. This the Japanese Government regrets exceedingly and it cannot but declare that the acceptance by the League of such unfriendly reports will only contribute toward in-



## No Greater Right

Manchuria may belong to China  
But who took it back  
From the Tsar?  
Who sacrificed 200,000 heroes  
That the map of the Far East  
Should be what it is today?  
Manchuria may belong to China  
But not its prosperity  
Peace and order  
The nation which owns  
Over 1,000 miles of railway  
And is forced to protect it  
With her own troops.  
And has built for China  
Four more trunk lines  
Without getting back a cent  
Of the money loaned  
And has invested  
More than \$2,000,000,000  
In her own undertakings  
And has fully a million subjects  
Residing in the territory  
Suffering from the warlord's  
Misgovernment.  
Has a right to police  
Manchuria  
If there ever was a right  
Of self-defence

pairing the dignity of the League of Nations. The Japanese Government herewith calls the attention of the League Council to this matter."  
"Since the Manchurian incident, the Japanese Government has maintained a careful and strictly just attitude and has continued to inform the secretariat of the League of Nations and the Governments of the nations with which Japan has throughout acted in accordance with the recognized diplomatic usages and has notified them of the facts of the case, thereby showing the sincerity of the Japanese Government."

The League Council had to meet again on November 16 in order to continue its deliberation of the Manchuria question. The object of supreme interest and importance to Japan is: what disposition it will propose to give to this difficult problem? It is the sincere hope of the Japanese people first of all that it will

## Why Manchuria Should Be Independent

Noted Scholar Shows That China Really Has No  
Historical Ground For Claiming Country as Her Own

By Ni-ichi Yano, Dr. Litt.  
Professor at Kyoto Imperial University



Dr. Ni-ichi Yano

Manchuria is not part of China.  
Strange as this remark may sound, the contention is well supported by substantial evidence and irrefutable historical facts, according to the opinion of Mr. Ni-ichi Yano, Dr. Litt., of Kyoto Imperial University, one of the best known authorities on Oriental (especially Chinese) history.  
In view of the revival, and possible success, of the campaign for an independent Manchuria and Mongolia, a campaign which was often attempted and has quite as often failed up to now, the views herein stated by so prominent an authority as Dr. Yano why Manchuria and Mongolia are entitled to be independent of so-called China should be of timely interest.

What the learned scholar declares should prove a revelation to the Western people as it should to a majority of the Japanese as well.—Editor.  
Historically, the greatest majority of the Chinese had no clear conception as to the relations between China proper and Manchuria and Mongolia. In fact, they did not realize what the relation was. They never knew that Manchuria was not governed by China in the sense we understand the term. Manchuria was a special territory under the direct control of the Qing (the last) dynasty, reserved for the Banner-men of Manchuria. As such, it was placed under special regulations, under special administration, with the sole purpose of benefit for these Banner-men. In the days of the Qing dynasty Manchuria (and Mongolia as well) was a territory of the Qing Emperors but was not territory of China.

### Subtle Distinction

This subtle distinction is a vital point in distinguishing the peculiar position of Manchuria and Mongolia. When a Qing Emperor administered over Mongolia, he did so as Bogdo Setzen Khan (the Great Emperor of Mongolia). The Chinese, as a rule, were barred from this Imperial reservation. It was a land

rise above prejudice, and strictly abide by an impartial attitude, which is the essential condition for an equitable solution of any international dispute. It is also hoped that instead of being absorbed in abstract principles, and desk theories, which is unbecoming to this body of experienced statesmen, the Council should attempt to grasp the realities of the situation in the light of the international position actually prevailing.

Should it do so, it will see the justice of Japan's claims in Manchuria and realize the injustice of the traditional Chinese method of forcing their own way regardless of the unreasonableness or impropriety of their attitude. For the sake of international peace and welfare it is essential that the world realizes once and for all the viciousness of the Chinese diplomatic method, of which Britain and some other countries have had even more bitter experiences than Japan. To realize this is at once to learn that it is a great mistake to condemn the Japanese military action as wrong, which is the only effective means of dealing with the cunning Chinese, while leaving unquestioned the unscrupulous trickery which is the cause of it.

Mr. Shigeru Yoshida, Ambassador to Italy, and Mr. Tsuneo Matsudaira, Ambassador to Britain, on November 12 were both appointed counsellors to Ambassador Yoshizawa to assist him at the Council session.

General Charles G. Dawes, U.S. Ambassador to Britain, on November 11 was named American observer at the Council during its session in Paris.

ner-men was one great fact throughout the Ching dynasty.

Foreign travellers of these days, from the 18th century toward the 19th century, all recognized Manchuria as a territory sui generis. The Jesuit missionary Verbiest of Belgium at the beginning of the Ching dynasty, or also the Jesuit missionary Gerbillon of France who was a favourite of the Ching dynasty and accompanied an Emperor to Manchuria on a tour, or Rinso Mamiya, a noted Japanese explorer who went as far as to the Amur River early in the 19th century, recognized that Manchuria was a land for Manchurians and controlled by Manchurians and designated as such in their books.

Manchuria was called East Tartary at first. Since the days of the Ming dynasty (preceding the Ching dynasty), Mongolians were called Tartars and there was no distinction between Manchurians and Mongolians. What is called today Manchuria, situated east of Mongolia, was popularly known as East Tartary. The differentiation between the Manchurians and Mongolians according to ethnological characteristics belongs to a much later date.

In 1820 the famous French scholar Klaproth visited Peiping (then Peking) with a Russian mission. In a book he published the same year he described the region as "das Land der Mandchus" (the land of Manchus). About the middle of the 19th century, the English people for the first time used the term Manchuria, the German Mandchurie. From about that time the Japanese began calling the country Manshu (Manchuria).

The name was applied by these people after it was fully recognized that it was a land inhabited and governed by the Manchurians.

The Chinese as a whole in those days were ignorant of this fact. At the Sino-Japanese War peace conference held at Shimonoseki, when Japan demanded the ceding of the Liaotung peninsula, the chief peace delegate from China, Li Hung-chang, made a vigorous objection to the demand. His objection, as is plainly shown in a memoir left by the late Count Mutsu, one of the peace delegates at the conference and then the Foreign Minister, was not raised because the territory formed an indivisible and basic part of China, but because the Peninsula was the land whence came the reigning house of the Ching dynasty, and was most sacred to the ruling Imperial family, having the mausoleums of its ancestors and being the place, where the Imperial fathers had fought heroic battles. An agreement to slice the territory would incur the most vehement censure from the Emperor who would never consent to the proposal at all, declared Li.

### Not Known Abroad

This delicate distinction of Manchuria and Mongolia as private territories of the Imperial family of the Ching dynasty and not parts of what had been known as China, is not known to the Western people. In tracing the reasons that have caused Manchuria and Mongolia to appear to be territories of China, we find certain circumstances that have made this state of affairs inevitable.

It was the Ching dynasty, rising in Manchuria, that conquered and governed China; it was the Emperors of Manchuria who ruled over China. The Western people called the ruler the Emperor of China and termed all the territory under his control China without making any distinction in the case of Manchuria, Mongolia, and Tibet.

Referring to all these lands as the Chinese Empire, the Western people regarded Manchuria as part of this Empire. It was so designated in their

(Continued on Page 12)

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By M. L. O. Hufschmidt  
NARS, Date 12-18-75



# Japan Not to Look on With Folded Arms While Fruit Of Her Efforts Is Looted by Bandits

## Should Any Nation Be Allowed to Violate Treaties as Long as She Does Not Draw Sword? That Is Absence Of War, Not Real Peace

In the issue involving the conflict of races, the fate of nations, and the peace of the Far East—in the issues on which the eyes of the world are now fixed—the Japanese nation is one, united in the belief that she is just in her claims, undivided in the conviction that whatever errors she may have committed in trivial affairs, she is fundamentally right.

We are aware that we are in the international limelight and that we stand at the crossroads of our destiny. May we assure our friends—and our enemies, for that matter—that the aspersions that have been hurled at us are not true; that we entertain the hope that in due time we shall be adjudged not guilty by the tribunal of the world.

Why are we so confident of ourselves? The reason is plain. Despite all appearances to the contrary, territorial aggression is not our object. When Chinese alarmists spread news to give colour to that idea, we wonder if they are not feeling uneasy in their minds because they know that Manchuria does not belong to their country by any merit of theirs, nor of their fathers, and that if it had not been wrested from Russia by Japanese arms and given over to them, that vast region which until a generation ago was considered to lie outside the Imperial Domain of China, would not be forming an integral part of the so-called Chinese Republic. When one's promises are violated and the reckoning comes, it is easy to get the sympathy and help of others by raising a hue and cry, and our neighbour has trained her voice for centuries to do this.

### Troops For Protection

But in the present crisis Japan has reiterated that she sent troops to Manchuria and has retained them there in order to protect her people and their property from armed attacks. Hence it is not with any territorial ambitions that she has resorted to force, and even in this resorting to force she has not declared war.

Our contention with China can be reduced to a few simple queries:

- (1) Does she recognize the treaties she has signed or not?
- (2) If she does, will she respect the rights of aliens obtained by the treaties?
- (3) Does she exercise the primary duty of a state to protect the rights of aliens—not to mention her own people?

What Western nation is not familiar with the license with which the sanctity of treaties has been violated by the present Government of China? Surely our memory is not too short to recall the many uprisings sanctioned by the Government for the purpose of repudiating treaties. Such events do not belong to the dead past which may be buried in oblivion. They are going on now and unless checked in due time, they will be repeated.

## Why Manchuria Should Be Independent

By Dr. Ni-ichi Yano

(Continued From Page 11)

books and diplomatic documents. The mistake was natural, even justifiable, for these foreigners. It was not to be expected that the Chinese would correct the mistake, either. It was properly the duty as well as responsibility of the Japanese authorities and scholars to clear up the error, not for the sake of Japan but rather for the benefit of the world and of scholarly pursuits.

### Mistake Accepted

The Japanese authorities and scholars failed to realize the serious importance of this mission. Instead, they swallowed half-baked the diplomacy and knowledge of the West, and accepted the mistake without a murmur. They employed the term in books and diplomatic documents in the same way that it was wrongly used abroad. It would have been strange indeed if the notion had not generally been created that Manchuria and Mongolia were parts of China after the persistent hammering in of this mistaken idea by officials and scholars.

This misconception as to the historical and legal status of Manchuria and Mongolia, does not alter the fact that these territories did not constitute part of the Chinese territory, however. The statement that Manchuria and Mongolia are territories of China is not based upon the fact that these regions really are Chinese territories, but is based upon the misunderstanding and ignorance of the Western people and upon the unconditional acceptance of this misunderstanding and ignorance by the Japanese officials and scholars.

In the reign of the Ching dynasty, the Chinese themselves did not consider that Manchuria was part of their territory. As our undeniable proof of this fact, I can point to the book entitled, "Manchu Kao Luei" (Historic Sketch of Manchuria) written by a Chinese named Kung-Chai toward the end of the nineteenth century.

The author in this book calls Manchuria "Manchu," adding, "Manchu is situated to the northeast of Peking and is the cradle of the Manchu Emperors' regime." From this description, we have enough evidence that the Chinese people themselves re-

peated. Only a few facts can be presented in this cursory survey of China's constant breaches of promise and her refusal to abide by open contract.

### Huge Loan From Japan

China contracted a huge loan from Japan, for the avowed purpose of building railways in Manchuria and Mongolia. The sum, long due and still unpaid, amounts to ¥160,000,000, including both capital and interest. Besides this is the sum of ¥350,000,000 which she owes to various Japanese companies, not to mention the so-called Nishihara loans which amount to ¥145,000,000. It may be asking too much to demand the return of money from a country which, notwithstanding the fact that it is in arrears to the League of Nations to the amount of ¥3,500,000, yet enjoys a seat in its Council!

It may be said that other nations have shared the same experience, and though this fact does not justify China's neglect of her duty and brings into glaring light her utter lack of a sense of responsibility, we may wait for the time when she will have put her house in order. We have waited, we are waiting, and we shall wait—trusting that the time may come when she will find that honesty is at least a good policy.

### But in Meantime?

But what shall we say in the meantime, during which she adds insult to injury by denying those rights which were legally granted to Japanese residents—such as freedom of residence, the liberty to lease or purchase land, the power to engage in forestry or mining? The Chinese have gone so far as to obstruct the operations of spinning mills and electric companies owned by Japanese. The boycott now generally practised throughout China is organized and is encouraged by the authorities, notwithstanding their declaration that it is a manifestation of voluntary and patriotic sentiment against our people.

Most of the obstructions have taken place in Manchuria, which but a generation ago was an unknown wilderness, regarded only as an outpost where bandits roamed and brigandage had free play. It is this same Manchuria which Japan, after taking it from Russia, has made to blossom like a rose. After Japanese rule—and this exercised only partially, because of the presence of native authorities—the population grew from 5 to 30 million thanks to the internal peace maintained by a handful of Japanese troops—some 15,000 stationed along 700 miles of the railway.

### Manchuria Alone Peaceful

All the while the rest of China was rent asunder by warlords, Manchuria alone remained in peace, and thither flocked the unfortunate victims of war as well as of flood and famine. To say that the immigrants are Chinese only emphasizes the fact that they find security under Pax Japonica. Their very livelihood depends largely on Japanese enterprises. In the South

claims its rights in Manchuria, and Japan's attitude is an aggression against China's sovereignty and a display of militarism.

Which is a righteous insistence, and which is an unreasonable claim? A happy state of mutual existence and mutual benefit between Japan and China is always hoped for by the Empire. It, however, can never be expected unless the two nations understand and feel gratified at each other.

Here I want to point out three important reasons why Manchuria should be independent. It should be pointed out firstly that it is due solely to Japan's efforts in recapturing Manchuria from Russia, staking its national destiny so that

League or No League, We Mean Business: Japan means business—the business of finishing the job of putting a definite end to the insolence of China, once and for all. This determination was clearly demonstrated on November 15 when lusty cheers burst from thousands of throats all along the railway from Tokyo to Ujina. It was well after midnight on that date (really the small hours of November 16) when the trains carrying the departing troops bound for Manchuria to relieve the sorely taxed Railway Guards passed through Osaka. Those who could not get inside the railway station, lined along the track, waving flags and lanterns for hours. The last train passed through Osaka at nearly 6 o'clock on the morning of November 16. The picture shows the scene at Osaka Station.



### He Speaks to the World

Animated by the sense of loyalty to his country and of service to the cause of Justice and Fair Play, Mr. Hikoichi Motoyama, President of the Osaka Mainichi and Tokyo Nichu Nichu, has issued a statement, appearing on this page, justifying the cause of his country in Manchuria. His views challenge false propagandists and ring with conviction.

He issued a similar statement to the American people on October 27, in response to a request from the Scripps-Howard Newspapers, and now speaks to the world, determined that Facts shall be made known and firm in his belief that Truth will even-



tematic anti-foreign teaching in schools—in short, by every possible means which no law of God or man will sanction.

### Where Is Sovereign State?

Where can we appeal for redress? China says she is a sovereign state, a jural state. But where is the sovereign body responsible for peace and order? Where is the legal protection to be sought? The sovereignty of the Nanking Government is contested by the Cantonese and warlords.

But, seeking safety in makeshifts and relying on the conflicting interests of different nations, China has manoeuvred her relations with our country with studied insincerity. Our people residing in China have been persecuted, our military guards insulted, our diplomats derided. Whoever accuses Japan of aggression on account of the sudden action taken by our troops at Mukden must look beneath the surface of this particular incident, and find running there a subterranean stream of exasperation and provocation. And until this stream is discovered the present crisis is unrelenting. Incidents are momentary sparks flying from a deep, burning sense of wrong. Or, to continue the figure used above, they are only the sudden overflows from the pent-up flood of resentment.

### Little Difficulty in Learning Truth

Are the League of Nations and its State members informed of all this? M. Briand might have repeated the question once posed in Washington, "What is China?" He would have had little difficulty in finding out that it was hardly a state. If it is a state at all, it is an abnormal one and must be treated as such. He and his colleagues must by this time have learned how unreliable were the reports furnished to them by the Chinese delegates. Judgments based upon incorrect information are as untenable and dangerous as are conclusions drawn from false premises.

With all our respect for the League of Nations, we are afraid that by unduly taking China into its protecting arms, it may be teaching the world that disregard for treaty rights is excusable; further, that any behaviour, however discourteous, exasperating, and provocative on the part of one nation to another, is allowable, as long as the sword is not drawn nor a gun fired. By thus stressing upon peace, the League may divorce justice from it. Peace under such conditions is merely the absence of war and not real peace.

### Deluge of Bandits

Moreover, do the gentlemen of the Council of the League know that the withdrawal of Japanese troops will invite into evacuated regions a deluge of bandits as devastating as the flood of the Yellow River? Should this happen, Japan may be forced to declare war on China. In that event the Council will present the strange spectacle of bringing about a war which could have been averted by the step Japan has proposed—namely direct and immediate negotiations with China.

It is not always that we, the people of the Sunrise Empire, agree with our Government, but in the main issues regarding the Manchurian question, the whole nation is in perfect accord, regardless of political parties or philosophical schools. We stand united behind our Government, and indeed we stand undivided in the front rank of public opinion, believing that the justice of our cause will be recognized by the world and that thereby lasting peace will be secured to the Far East.

### Hikoichi Motoyama

territory only by denying Japan's interests. China, therefore, had to use some "catalytic word" for doing so. Her slogan was "Japan's insistence is an infringement upon our sovereignty and a disclosure of Imperialism." And she further had to endeavour to undermine the Empire's equitable rights to shield not merely its important interests but other vested rights in full accordance with the Sino-Japanese treaties in Manchuria.

### Confuses World's Judgment

As the result, China externally created a confusion in the world's concerning judgments concerning the Japanese-Chinese relations, and internally urged its own people's anti-Japanese movement. The government encouraged the people to despise, hate and insult Japan and the Japanese. Japan stood in a disadvantageous position, and China gained an advantage by that much, getting applause of the world's spectators with its "grandstand play."

The "stage effect" of China's propaganda was one hundred per cent., with the musical accompaniment of anti-Japanese slogans and exaggeration of trifles. If the Chinese themselves believe this to be a success, they are making a serious mistake. Aside from the question if she recognizes Japan's rights or otherwise, China will never be able to build a real secure foundation of a State which must be based on morality.

### Must Have Farsightedness

It is lamentable for China herself that she is secretly struggling to shake hands with Russia as a mere counter-movement against Japan, forgetting to uphold the far-reaching policy to guarantee its territorial integrity. She can only blame her own infidelity for the difficulty in building up a strong unified country. The Chinese should realize how heavy a loss it is for them not to support a saner view of the international relations, forever sticking to their near-sightedness in seeking benefits only within their reach.

Suppose a power like the former Ching dynasty rises in Manchuria again and the land is placed under an independent status from China in some form, such situation will precisely realize its mistake in the past and begin to give due attention to Japan's reasonable demands.

In consequence of this situation, China will have a real opportunity, if any, to found a State the condition of which will be final and complete. Thus, the independent status of Manchuria will be beneficial both to China and Japan.

Secondly, China, due to its disorderly status, is being constantly ex-

## Heartily Sick Of Extortion, Chinese Seek Better Ruler

Heartily sick of continued extortion, the Chinese in Manchuria lost no time in declaring themselves free from the iron shackles of General Chang Hsueh-liang, now a man without a country, and established a provisional administrative organ, absolutely independent of Japanese influence, soon after the outbreak of the Manchurian incident.

The provisional organ steadily developed into a regular state organ and on the morning of November 14, 1931, the leaders of the region held a formal conference to establish an independent state with the three provinces of Liaoning (erstwhile Mukden), Heilungkian (or Amur) and Kirin, and Mongolia.

The conference informally decided to call the new state Ming-Kuan. Its flag will be yellow with a red dragon rampant in the centre. In one corner will be five white stars, indicating a union of five racial groups.

There is no denying that the natives are drawing a sigh of relief now that the robber-warlords have been driven far enough away to prevent them from doing any mischief. They are secretly hoping for the permanent presence of the Imperial troops and openly defying, inside the Japanese railway zone, the arrogance of the bandit chiefs.

It may be added here that in spite of the Government organized anti-Japanese agitation and the destruction of Japanese property in China, there has not been a single case in which a Chinese living in Japan has been insulted by Japanese, much less molested.

It may also be added that among the Chinese school teachers encouraging children to foster the sentiment of hatred in their innocent minds against Japanese, there are hundreds who are ardent admirers of Japan and staunch friends of the Japanese. These Chinese teachers, by particular vehemence in their anti-Japanese agitation, are concealing their real feelings in order to protect themselves from the cruel promoters of the agitation.

posed to the imminent danger of becoming an ideal nursery for Soviet Russia to sow the seed of radicalism. This confusion can easily be extended to Manchuria when Manchuria is part of China.

If Manchuria stands on an independent position from China, it will be a barrier to Soviet Russia's "red" propaganda in the Far East, as Poland, Finland and Rumania form another stronghold to guard West Europe from the same danger. If so, it will mean an enhanced benefit not merely for China, but for Japan as well as the whole world.

Thirdly and lastly, I want to make a few remarks regarding the fate of Mongolia. Though Outer Mongolia is legally China's territory, it is part of Soviet Russia in reality. Russia is waiting, with just as great patience as that described by a favourite Japanese expression, "to await the fall of a ripe persimmon." She is awaiting that the Mongolians themselves pass a resolution to join the U.S.S.R.

Not in Sympathy With China  
Inner Mongolia cannot part with China now, as that district is directly adjoining the Chinese border, but Inner Mongolia, too, has not even a bit of sympathy with China like Outer Mongolia.

In the Chinese history, the Mongolians are the only race free from infatuation with China's culture. After ruling China for some 100 years, the Mongolians returned to their Mongolia as China's enemy as ever, without carrying any "souvenir" of the Chinese civilization. The Mongolians are not interested in, nor are in sympathy with, China's culture at all.

With such in view, the Mongolians cannot hope to eventually merge with Manchuria, as long as the latter is Chinese territory. On the other hand, it is also impossible for them to shake hands with Outer Mongolia. So they have no alternative but to sit and wait for the grasp of Russia's hands.

If Manchuria becomes independent from China, the Mongolians will willingly side with the former, and the "barrier" I have mentioned will be that much stronger. So much the better.

### For World's Welfare

Thus, the independence of Manchuria will bring about a very favourable result not only to Japan, but China and also the rest of the world.

I must add here that Japan should never put her hand either directly or otherwise to the independence movement in Manchuria. If the Empire has a connection in whatever form with this campaign, the movement will be carried out to no effect.

Nippon's justified interests in Manchuria will then be seen by the world as unlawful, and moreover the independence movement itself would end in a fiasco.

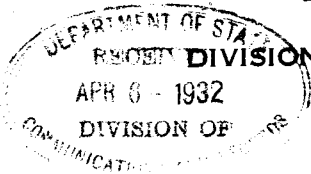
Japan must maintain a "wait and see" policy as far as Manchuria's independent drive is concerned.

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Department of State Letter, August 10, 1972  
By M.L. O. Burdick, NARS, Date 12-18-75

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DEPARTMENT OF STATE



DIVISION OF FAR EASTERN AFFAIRS

January 8, 1932.

MANCHURIA SITUATION:

Interference with American Interests.

Among American interests which have been adversely affected, either by direct interference or otherwise, by Japan's military and other activities in Manchuria since September 18, we find the following firms and organizations:

- ✓ Anderson, Meyer and Company,
- ✓ Standard Oil Company,
- ✓ Brazzar, Federal Incorporated,
- ✓ The L. E. Gale Company,
- ✓ McDonnell and Gorman,
- ✓ Chinese Engineering and Development Company,
- ✓ Aeronautical and Engineering Company,
- ✓ Automatic Telephones of China, Ltd. Inc.,
- ✓ Texas Company,
- ✓ Seventh Day Adventists Mission,
- ✓ The National City Bank,
- ✓ Radio Corporation of America,
- ✓ The United Press and Other News Services.

One of our first grievances is in connection with communications. This relates principally to telegraphic and wireless communications. The transmission both of private and of official communications has been, so far as our interests are concerned, adversely affected.

The principal hardships to which American firms and organizations have been subjected arise out of the closing of Chinese Government bureaus which had

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purchased materials and the taking over of electric light plants, motor cars, airplanes and other items in which American firms have interest and the closing of banks and interference of various sorts with the operation of banks and transaction of banking business in which American firms have interest.

The attached despatch from Mukden gives a résumé of some of the immediate effects upon American interests in the Mukden consular district.

Illustrative of the types of interference are the following:

(a) On the night of September 18, the Chinese radio station at Mukden was put out of commission. Notwithstanding assurances which have been given us from time to time, this station has not yet been reopened. This station constitutes one terminus of several radio circuits, one of which is with the Radio Corporation of America. The suspended operation of this circuit occasions loss to the Radio Corporation and any other firms which may be interested in the operation of that circuit.

(b) On September 22, the Chinese Electric Light Plant at Antung was closed and it apparently remains closed. An American firm has a substantial financial interest in that plant, based on outstanding accounts for equipment supplied. The closing of the plant has resulted in the American firm not receiving monthly payments due it.

(c) The

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(c) The business of the National City Bank has been interfered with at various points and in various manners. The Bank has been forbidden to remit certain funds deposited with it and has been prevented from collecting different funds due it.

(d) An airplane, the property of an American firm, was seized at the Chinese aerodrome at Mukden on September 19, and in spite of efforts of American officials has not been restored to its owners and has not even been located.

It goes without saying that there is no legal warrant for interference with foreign (or even with Chinese) commercial and financial interests. We are unable to perceive adequate reason for interference with radio and telegraphic communications, interference with the legitimate operations of banking institutions, closing of public service utilities, detention of American property, or several other types of interference which have been reported to us.

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Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

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January 11, 1932.

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On January 18, 1915, the Japanese Minister at Tokyo presented to President Yuan Shih-kai twenty-one demands.

Very soon thereafter the American Minister at Peking informed the Department of the text of these demands.

On February 9, the American Ambassador in Tokyo communicated the text of a memorandum from the Japanese Foreign Office purporting to give the substance of the demands and making the demands numbering all twelve.

The Japanese Ambassador in Washington told Secretary of State Bryan that it was not true that twenty-one demands had been presented and that only twelve demands had been presented.

On February 15, Mr. E. T. Williams, then chief of the Division of Far Eastern Affairs, wrote a memorandum explaining the above.

On the face of this memorandum Mr. Bryan wrote:

"I think they are mistaken -- I trust the Japanese Ambassador".

The facts were that twenty-one demands had been presented (on January 18).

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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On May 7, Japan delivered to China an ultimatum demanding immediate compliance by China with fifteen of the twenty-one demands.

On May 13, the American Government sent to the Japanese and the Chinese Governments an identical note stating that this Government would not recognize treaties -- etc.

COPY: CLS



January 12, 1932.

MANCHURIA SITUATION

Action by Other Governments  
Problem of Peace in the Far East.

Reference: British Government's Press Statement, Jan. 9.

It is reasonable to infer that the British Government does not intend (now, at least) to object to the method by which Japan has attained her present position in South Manchuria or to the fact that she has the said position. The implication is that Great Britain is officially concerned only with regard to the principle of equal opportunity and the "open door" and will seek only for confirmation by the Japanese Government of statements made recently by Japan's representative at Geneva and by the Japanese Prime Minister.

(NOTE: I feel that the British Government has gotten "behind you", but in somewhat the manner in which I ventured to forecast that it would, namely, a very long way behind.)

Nevertheless, for what may appear inadequacy of action on the British Government's part, there are "extenuating circumstances":

First, it could hardly be expected that, without having had some time to think the matter over, the British Government would take a position equaling in

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substance that which the American Government took on the January 7 note. If it sent a far less strong note, the discrepancy in tone would be remarked and inferences would be drawn therefrom some of which at least would not be correct. To save themselves embarrassment as well as to avoid weakening the effect of your note, the safest way out for the British Government was to avoid, for the moment at least, sending any note.

Second, the British Government can scarcely afford to take as strong a position as we can take either with regard to Manchuria and the Nine-Power Treaty or with regard to the Kellogg-Briand Pact. The British Government is faced with great difficulties in India. It is faced with greater material hazards in China than are we. It is embarrassed in its relations with France. It is obliged to consult (more or less) the Dominions. Its freedom of action is more or less curtailed by virtue of its membership in the League "as indicated by various recent references, official and unofficial".

Third, the British Foreign Office may very readily feel that it has recently contributed more than have we toward the defense of common interests in the Far East by virtue of the fact that it has definitely served notice on the Chinese Government that it will not tolerate a unilateral abrogation of extraterritorial rights -- which  
action

- 3 -

action we have not duplicated. (NOTE: We have instructed our Minister to act in that sense if and when a real threat of such action on China's part develops.)

Fourth, the British Government and the British public remember -- with fondness in some quarters -- the Anglo-Japanese alliance and are by no means convinced that it might not be to Great Britain's best interest still to have a "best friend" in the Far East -- with the feeling that Japan would be the most worth while such friend.

Fifth, the British Government probably has reason to be apprehensive with regard to Franco-Japanese friendship and would be likely to be very wary about driving Japan into the arms (any more completely than already) of France.

I think that we should at all times and on every step of the way assume that no other power, acting individually and on its own responsibility, will take a "strong" position in this matter either on the basis of the Nine-Power Treaty or of the Kellogg-Briand Pact. Only where they are acting collectively, as in the Council of the League, will the other powers give indication that they strongly disapprove of Japan's action. I still urge that we make it our endeavor to avoid getting so far ahead of the others as to make it a fact or make it appear that we are willing to play a lone role

in

- 4 -

in regard to the two problems, (a) of Manchuria and  
(b) of enforcing the terms of the Kellogg Pact.

My principal official concern is, of course, with regard to what happens in connection with American interests, rights and activities in and with relation to the Far East. We are dealing with situations and developments there for which two countries, China and Japan, are primarily responsible. China is at fault fundamentally in that, being inclined to "pacifism", being "unprepared", and being politically disorganized, her resources arouse covetousness and her actions invite disciplining and despoiling. Japan is at fault fundamentally in that, being inclined toward "imperialism", being organized on the lines of military feudalism, and with her parliamentary system of government still in a backward state of evolution, her needs drive her toward acquisitiveness and her natural inclination is to use force rather than to rely on the possibilities of success by methods of persuasion.

Without attempting to go into details, it is my feeling that -- in the present stage of development of the world's peace machinery and of the governmental systems and mental characteristics of these nations --

China



- 5 -

China, Japan and Russia being what they are and being where they are, the maintenance (during the next twenty-five years at least) of peace in the Far East by any other process than that of compulsion (by the rest of the world) is out of the question. If, then, we choose to insist strongly that the principles of the peace treaties must there (as elsewhere) be observed, we should be prepared to back up our insistence with every legitimate weapon; and, conversely, if we do not intend to back up our insistence, we should avoid going very far ahead of the other powers in our enunciation of it.

I hope there will never be a war between Japan and the United States. But there is always (as yet) the possibility that such a war may come. There are two courses by which we can in the greatest degree diminish the chances: (a) by not standing conspicuously ahead of the other powers in advocacy of principles which Japan does not propose to allow to stand between her and her "destiny"; (b) or by always being more strong on the sea than is Japan.

FE:SKH/ZMF

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75



January 21, 1932.

MANCHURIA SITUATION

The Twenty-One Demands of 1915.

Attempt of the American Government to  
Obtain Peaceful Settlement and Cooperation  
of European Powers, Immediately Before De-  
livery by Japan to China of an Ultimatum  
(on May 7, 1915).

Japan's twenty-one demands upon China were pre-  
sented in Peking on January 18, 1915. Negotiations  
proceeded, and were watched with great interest by the  
powers, during the next four months. On May 7, the  
Japanese delivered to the Chinese an ultimatum demand-  
ing agreement by China within forty-eight hours to  
some fourteen of the demands. On the day before, the  
American Government (Mr. Bryan being Secretary of State)  
sent telegrams to Tokyo and to Peking urging on the  
Japanese and the Chinese Governments settlement by  
peaceful means. At the same time, the American Govern-  
ment sent telegrams to London, Paris and Petrograd  
instructing our diplomatic representatives to ask the  
governments to which they were accredited respectively  
whether those governments would join with the American  
Government in a friendly but earnest appeal to China  
and

F/DEW

793.94/3610 4/5

FILED

MAY 11 1934

- 2 -

and Japan to continue their negotiations in a spirit of patience and friendship until a satisfactory conclusion was reached.

Copies of these telegrams and material indicating the nature of the replies from the European powers are attached hereto.

FE: SKH/ZMF

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 500. C/577 FOR # 680  
FROM Venezuela ( Summerlin ) DATED Jan. 14, 1932  
TO \_\_\_\_\_ NAME \_\_\_\_\_ 1--1127 ope

REGARDING:

Article in EL IMPULSO commenting on the Manchurian tragedy  
states that the League has demonstrated its inefficiency.

MN

793.94 / 3611

TELEGRAM RECEIVED

REP

FROM

AT 8:10 P. M.  
DIVISION OF

GRAY

Tokio

Dated January 23, 1932

Rec'd 5:25 a. m.

Secretary of State,  
Washington.

24, January 23, 4 p. m.

Referring to <sup>my</sup> telegram No. 13, January 16, 4 p. m.,

I asked Nagai for confirmation of the participation of the Governor of Jehol in conversations for independent government. He said that while such conversations were under consideration any statement in regard to the matter at the present time was necessarily vague as he did not have any information beyond this.

FORBES

JS

HFD

M FE

F/DEW

793.94/3612

O.F.  
JAN 29 1932

793.94  
note  
893.01

TELEGRAM RECEIVED

COPIES SENT TO  
C. N. L. AND M. L. D.

MET

FROM

GRAY

Peiping via N.R.

Dated January 23, 1932

Rec'd 2:40 a.m.

F/DEW

793.94/3613

Secretary of State,

Washington

113, January 23, 1 p.m.

Following from American Consul General at Harbin:

"January 21, 5 p.m. Commissioner of Foreign Affairs informed Chamberlain today that Pinhsien last bombed on 16th and Yuanshu, Wuchang and neighboring places last few days, Japanese aeroplane flew over Harbin yesterday, that Cheng Jun head of the Pinhsien Government is determined to hold out against the new regime until the receipt of orders from Nanking and that local newspapers are so fearful of Japanese influence that they dare not publish reports of bombing.

Two. I have no confirmation of reports of bombing. Japanese have informed me that it is sure that agreement has been reached whereby Pinhsien Government will be dissolved. I believe that it cannot maintain itself.

Three,

Division of  
FAR EASTERN AFFAIRS  
JAN 23 1932  
Department of State

FILED

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2-#113 from Peiping via N.R.,  
January 23, 1.p.m.

Three. Ohashi left Harbin by airplane for Mukden yesterday evidently to consult with the Japanese there and later at Kirin.

Four. It is reported that Doihara left Tokyo for Harbin yesterday. His expected arrival here is looked upon with apprehension by the Chinese authorities".

JOHNSON

WEB

REP

TELEGRAM RECEIVED

TO: SECRETARY OF STATE  
FROM: DIVISION OF  
FAR EASTERN AFFAIRS

PLAIN

Peiping via N. R.

Dated January 23, 1932

Rec'd 5:45 a. m.

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

Secretary of State,  
Washington.

118, January 23, 6 p. m.

Tokyo's January 22, 6 p. m.

Following from Reuter, Tokyo, January twenty-second:

"A number of warships have been despatched to Shanghai and several others have been ordered to be ready to leave at a moment's notice owing to the growing uneasiness regarding the situation.

The aircraft carrier NOTORO is leaving Port Arthur for Shanghai and the cruiser OI with a landing party of blue jackets ~~for~~ <sup>four</sup> destroyers and other aircraft carrier left Kure last night while an additional cruiser and twelve destroyers at ~~Sasebo~~ <sup>Sasebo</sup> have been ordered to hold themselves in readiness to proceed.

Measures for the protection of Japanese residing at Shanghai were discussed at a meeting of the Cabinet today which decided to leave the whole matter at the discretion of the Navy Minister.

JOHNSON

WSB

F/DEW

793.94/3614

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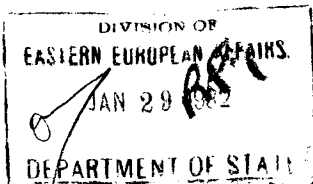
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note  
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TELEGRAM RECEIVED

REP



FROM

PLAIN

Peiping via N. R.

Dated January 23, 1932

Rec'd 7:10 a. m.

Secretary of State,  
Washington.

119, January 23, 7 p. m.

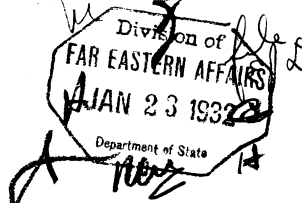
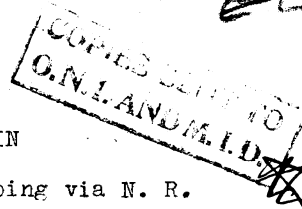
Following from United Press, Moscow, January twenty-second:

"Soviet official and semiofficial newspapers under bitter heading today feature dispatches from Soviet correspondents in China and Manchuria indicating greater collaboration between white Russians in Manchuria and the Japanese.

The newspapers and unofficial statements by Government leaders reveal apprehension of the consequences of renewed activities of Russian emigres naturally hostile to the Soviet regime in Manchuria and inner-Mongolia.

The official organ IZVESTIA declares today 'A strong-  
*guardists*  
hold of White ~~outpost~~ adventurers and anti-Soviet elements general is being created in Manchuria'.

The report from correspondence<sup>a</sup> in Manchuria declares that an organization of White Russians has now been completed in Manchuria and inner-Mongolia headed by General Petukhov who is reputed



F/DEW

793.94/3615

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FEB 1 1932

REP

2- #119, from Peiping, Jan. 23, 7 p.m.

is reputed to be former Grand Duke Cyril's representative in Mukden.

One of the objects of the new organization according to the correspondent is to obtain a more effective relationship with the Japanese for a common assault on Soviet interests.

Soviet newspapers for some time have reported the increasing belligerency of White Russians in Manchuria who are openly opposed to the Soviet regime. One of the points which the Soviets raised in the dispute with Chinese in 1929 was that the Chinese must definitely suppress White Russian movements."

JOHNSON

WSB

038  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

Conversation

RECEIVED

JAN 23 1932

DIVISION OF

COMMUNICATIONS AND RECORDS

January 20, 1932.

THE UNDER SECRETARY

JAN 22 1932

DEPARTMENT OF STATE

Mr. Kinney, of the South  
Manchuria Railway Company.

Mr. Hornbeck.

Subject: Manchuria Situation, etc.

796.94  
not  
893.77

Mr. Kinney covered with me substantially the same territory that he seems to have covered in his conversation with Dr. Feis -- a copy of whose memorandum is attached.

Mr. Kinney endeavored to draw me into discussion of the American Government's note of January 7 and the subject of this Government's attitude toward the whole question. He especially asked me what complaints this Government felt disposed to make under the principle of the open door policy. I told him that I would prefer not to discuss these matters at this time.

FE:SKH/ZMF

F/DEW

793.94/3616

FILED

JAN 26 1932

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigson NARS, Date 12-18-75

FE



MEMORANDUM

January 21, 1932.

Mr. Kinney, American representative of the South Manchuria Railway Company, came in to talk with me this morning. I questioned him regarding the disposition of the Chinese railways in Manchuria. He said that they were in three different groups: (1) those to which the Chinese Government had made various loan advances which had not been repaid; (2) those which the Chinese had built out of their own funds but which were not competitive in any way with the South Manchuria Railway, and (3) the same as (2) but possibly competitive Chinese railways.

He thought that somewhat different handling might be made of each of these three groups. He anticipated that as soon as the new local administrations were firmly set up in Manchuria, the South Manchuria Railway Company would enter into conference with these new authorities regarding the whole railway problem, and there work out a settlement.

I questioned him as to whether he anticipated that these local authorities would be in touch with Nanking, and

- 2 -

and he replied in the negative, giving as a reason the fact that the Nanking authorities had repudiated these new local authorities. He then stated that an important matter to be discussed in these railway conferences was the construction of new railways, the rights for which the Japanese already held under various treaties. The South Manchuria Railway is desirous of undertaking extensive new construction, and he stated that the Japanese Government would probably be willing to advance funds for this purpose. He went on to comment that this would bring benefit to the United States in the way of orders for railway materials, and so on.

I made no comment, but if these anticipations of Japanese policy are correct, it will almost certainly mean an attempt either of the Japanese Government or of the South Manchurian Railway to borrow abroad. The attraction of orders for railway material will probably be held out in return for loans in the American market. I consider these intimations additional reasons for being on the alert as regards Japanese financing in this country.

Mr. Kinney had just left Tokyo on December 17, and  
found

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

- 3 -

found nothing to indicate that the Japanese did not  
intend directly or indirectly to retain control over  
Manchuria.

EA:HF:LEW

TELEGRAM RECEIVED

MET

GRAY

FROM

Shanghai via N.R.

Dated January 23, 1932

Rec'd 7:10 a.m.

Secretary of State,

Washington

January 23, noon.

The following telegram has been sent to the Legation:

"January 23, noon. My telegram of January 22, 5 p.m.

General MacNaghten, chairman of Shanghai Municipal Council, and Fessenden, Secretary General, called on Japanese Admiral yesterday in company with Japanese Consul General. After considerable discussion the Admiral agreed that he would take no action in the Settlement without first consulting with the Settlement authority. The commissioner of police of the Settlement reported last night that both the Japanese Admiral and the Japanese Consul General had recommended to their nationals that the Japanese mass meeting called for this afternoon should be abandoned and it is not believed that it will be held.

I have received from Municipal Council a copy of Japanese Admiral's statement or so-called ultimatum, referred to

in

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

Division of  
FAR EASTERN AFFAIRS  
JAN 23 1932  
Department of State

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2-from Shanghai via N.R., January  
23, noon.

in paragraph two of my telegram January 22, 5 p.m. It is  
substantially as already reported. When calling on the Mayor  
this morning the latter stated that he had not received it  
and believed that it was intended to be merely a published  
warning. No time limit was given."

CUNNINGHAM

WSB

MET

TELEGRAM RECEIVED

Peiping via N.R.

Dated January 23, 1938

FROM

Rec'd 5:48 am

Secretary of State, DEPARTMENT OF STATE

Washington

117, January 23, 5 p.m.

Shanghai January 22, 5 p.m.

Following from Reuter, Shanghai, January twenty-second:

"There was a sensational development in Japanese policy this afternoon which is leading to intense speculation regarding the suitable measures which the Japanese are proposing to take against the Chinese within the International Settlement. Five Japanese naval men called at the offices of the Chinese newspaper MIN KUO JIH PAO situated in Shantung Road in the center of the Settlement and peremptorily demanded an apology for the statement published by the paper that Japanese marines had assisted the Japanese mob in the recent attempt to destroy any Chinese factory. The editor was ordered to visit the Japanese marine garrison with a written apology, to publish a full page apology in the paper, to punish the member of the staff responsible for writing

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

Division of  
FAR EASTERN AFFAIRS  
JAN 23 1938  
Department of State

F/DEW

793.94/3618

RECEIVED

793.94

MET

2-#117 from Peiping via N.R.,  
January 23, 1932

writing the report and to give assurances that there would be no repetition of the offense. The editor pointed out that other Chinese papers had published a similar report but the Japanese lieutenant replied the no <sup>argument</sup> ~~arrangement~~ would be allowed /and that if satisfaction was not forthcoming before five o'clock tomorrow morning the Japanese would take suitable measures. The editor appealed for police protection and extra constables are now guarding the newspaper office.

According to Japanese press reports with the vessels now on the way to Shanghai ten Japanese warships will be at Shanghai tomorrow while twenty-three more are at Sasebo ready to leave at a moment's notice. The despatch of army units is under consideration 'in case the situation at Shanghai becomes serious'.

JOHNSON

WSB

104

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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

MET

FROM

GRAY

Peiping via N.R.

Dated January 23, 1932

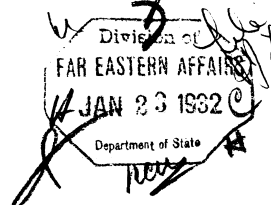
Rec'd 4:20 a.m.

Secretary of State,

Washington

116, January 23, 4 p.m.

Legation's 106, January 21, 7 p.m.



F/DEW

793.94/3619

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Further information from Jehol indicates an agreement having been made between Tang Yu Lin and delegate from all of the Mongols outside the provinces for mutual protection and cooperation against bandits communications with Peipiao are restored and there are no indications of a Japanese advance. It appears that Tang is definitely opposed to irregular and bandit forces operating on the Fengtien-Jehol border and consequently he must have come to an understanding with the Japanese whose advance against Jehol will be thereby probably limited to the occupation of Peipiao.

JOHNSON

WSB

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

## DEPARTMENT OF STATE

## THE SECRETARY

Mr. ByrdePB  
Please note  
↓

This letter should  
be acknowledged.

The Sec. will not  
stop General Bouygo

/Kots

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigson NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

January 19, 1932.

*S*  
✓  
Mr. McBride:

Judging from press reports, it apparently is a fact that an American broadcast by General Honjo has been arranged for Wednesday evening, January 20, at 7:30.

I feel that Senator Jones's letter and its enclosure should be called to the Secretary's attention.

*SKH*  
*REK*

SKH/REK

1 - 105

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

THE SECRETARY

RUSH:

Index Bureau:

Please record and route  
with previous papers to the  
appropriate office.

1 - 051

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

WESLEY L. JONES, WASH., CHAIRMAN  
REED SMOOT, UTAH  
FREDERICK HALE, ME.  
HENRY W. KEYES, N. H.  
HIRAM BINGHAM, CONN.  
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FREDERICK STEIWER, OREG.  
PETER NORBECK, S. DAK.  
PORTER H. DALE, VT.  
JAMES J. DAVIS, PA.  
L. J. DICKINSON, IOWA  
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ROYAL S. COPELAND, N. Y.  
CARL HAYDEN, ARIZ.  
SAM G. BRATTON, N. MEX.  
CAMERON MORRISON, N. C.  
ELMER THOMAS, OKLA.  
JAMES F. BYRNES, S. C.  
KENNEDY F. REA, CLERK  
JAMES H. DAVIS, ASST. CLERK

United States Senate

COMMITTEE ON APPROPRIATIONS

January 21 1932.

RECEIVED

January 19, 1932.

JAN 19 1932

SECRETARY'S OFFICE

Honorable Henry L. Stimson,  
Secretary of State,  
Washington, D. C.

My dear Mr. Secretary:

I respectfully call  
your attention to the enclosed copy of tele-  
gram which I have received from Mr. L. M.  
Bocker of Seattle, Washington.

I am sure this matter will have  
your careful attention, and you will do what-  
ever you deem wise and proper in the matter.

Very respectfully yours,

*W. Jones*

Encl.  
a

Division of  
FBI EASTERN AFFAIRS  
JAN 20 1932  
Department of State  
*file*

F/DEW

793.94/3620

FILED  
JAN 26 1932

793.94  
note  
8/11/76



1 1052  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

COPY

SEATTLE WASH

1932 JAN 19

WESLEY L JONES

US STATE SENATOR OF WASHINGTON WASHINGTON DC  
POST INTELLIGENCER CARRIES STORY FLOYD GIBBONS HAS ARRANGED  
AMERICAN BROADCAST WEDNESDAY JANUARY TWENTIETH FOR GENERAL HONJO  
IN COMMAND JAPANESE FORCES IN MANCHURIA STOP SECRETARY OF STATE  
HAS FORMALLY PROTESTED JAPANESE ACTIVITIES IN MANCHURIA AND IT  
WOULD SEEM VERY MUCH OUT OF ORDER FOR GENERAL CONCERNED TO TRY  
HIS CASE DIRECT WITH AMERICAN PUBLIC STOP AS AN AMERICAN CITIZEN  
BUSINESS MAN FORMER AIR SERVICE OFFICER AND WITH SEVERAL YEARS  
RESIDENCE IN FAR EAST RESPECTFULLY REQUEST YOU CONVEY THIS POINT  
OF VIEW TO STATE DEPARTMENT AND SUGGEST BROADCAST BE STOPPED

L M BOCKER

1 0053

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigson NARS, Date 12-18-75

My dear Senator Jones:

I acknowledge with thanks the receipt of your letter of January 19, 1932, with which you enclosed a copy of a telegram which you had received from Mr. L. M. Becker of Seattle, Washington, in regard to an American broadcast by General Honjo. Your courtesy and that of your correspondent in informing me regarding this matter are appreciated.

Sincerely yours,

HENRY L. STIMSON

The Honorable

Wesley L. Jones,

United States Senate.

RSM  
FB:RSM:EJL

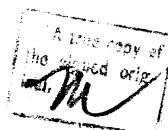
FE

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SKH

1932. 21. 1932.

793.94/3620



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

## DOCUMENT FILE

### NOTE

SEE 893.77/2826 FOR Tel. #108 4pm

FROM China ( Johnson ) DATED Jan. 22, 1932.  
TO \_\_\_\_\_ NAME \_\_\_\_\_ 1-1127 \*\*\*

~~REGARDING~~ Negotiations of the Mukden-Peiping Railway.  
Instructions from Japanese headquarters stat-  
ing that all future - must be with the local  
government.

793.94/3621

10055  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

GRAY

Peiping via N. R.

Dated January 22, 1932

Rec'd 9:30 a. m.

Secretary of State,  
Washington.

108, January 22, 4 p. m.

Legation's 75, January 15, 3 p. m.

Following from American Consul General at Mukden:

"January 21, 6 p. m. Steele, Traffic Manager of the Mukden-Peiping Railway, was informed definitely today by Japanese headquarters that all future negotiations concerning the Railway must be with the local government. Local government, approached informally, indicated its willingness to resume this service but lack facilities for operating the railway."

JOHNSON

WSB  
HFD

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 893.796/111 FOR #

FROM Mukden ( Myers ) DATED Dec. 31, 1931.  
TO NAME 1-1127 o p o

REGARDING: news item concerning three new air services in  
Manchuria.

793.94/3622

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

No. -----

AMERICAN CONSULATE  
GENERAL,  
Mukden, China, December 31, 1931.

SUBJECT: New Air Lines in Manchuria.

The Honorable  
The Secretary of State,  
Washington.

Sir:

I have the honor to enclose herewith a copy of my  
despatch No. 516 to the Legation at Peiping, China,  
dated December 30, 1931, on the above subject.

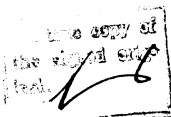
Respectfully yours,

H. S. Myers  
American Consul General.

Enclosure:

Copy of despatch No. 516  
to the Legation at Peiping.

HEW  
879.6



No. 516

AMERICAN CONSULATE GENERAL

Mukden, China.

December 30, 1931.

SUBJECT: New Air Lines in Manchuria.

The Honorable

Nelson Trusler Johnson,

American Legation,

Peiping, China.

Sir:

Referring to this Consulate General's despatch No. 600, of December 11, 1931, in regard to the proposed establishment of an air service between Dairen and Tsitsihar via Mukden, Chungchun and Harbin, 1/ I have the honor to enclose herewith a news item which appeared in the issue of the Manchuria Daily News, dated December 28, 1931, giving details concerning the three new air services in Manchuria. As stated in the enclosure, a daily service is being operated between Mukden and New Wiju, Korea, and a tri-weekly service between Mukden and Harbin and between Mukden and Dairen. These services were inaugurated this week by the War Office, Tokyo, for military purposes but it is understood that space which is not required by the military will be available for carrying passengers.

According

050  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

- 2 -

According to press reports the Japan Air Transport Company is operating these services.

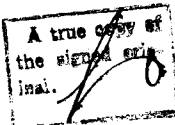
Respectfully yours,

M. S. Myers.  
American Consul General.

Original and one copy to Legation.  
Five copies to Department.  
One copy to Embassy, Tokyo.  
One copy to Consulate General, Shanghai.  
One copy to Consulate General, Tientsin.  
One copy to Consulate General, Harbin.  
One copy to Consulate, Dairen.

MSM:ABG  
879.6

1/ Enclosure: News item from The Manchuria Daily News dated December 28, 1931.





Enclosure No. 1, to despatch No. 516, of M. S. Myers,  
American Consulate General, Mukden, China, dated  
December 30, 1931, to the Legation, Peiping, on the  
subject "New Air Lines in Manchuria".

### THREE NEW AIR LINES OPEN

From The Manchuria Daily News, December 28, 1931.

From this date, December 28, three new air routes,  
that is, the Mukden-New Wiju, the Mukden-Tsitsihar, and  
the Mukden-Dairen line have been inaugurated.

Such seating accommodations as are not taken up by  
Kwantung Army are left open to the public.

(1) The Mukden-New Wiju Line is to work 3 times a  
week on Tuesday, Thursday & Saturday on the undermentioned  
schedule:-

Lv. Mukden 7.10 a.m.; Arr. New Wiju 8.30 a.m.  
Lv. New Wiju 11.30 a.m.; Arr. Mukden 12.50 p.m.

For the time being, this line will be operated once  
daily each way, except on Sunday.

(2) Mukden-Tsitsihar line (3 return trips a week  
on Monday, Wednesday and Friday).

Lv. Mukden at 8 a.m.; Arr. Changchun 9.40 a.m.  
leaving there 9.50 a.m.; Arr. Harbin 11.17 a.m., leaving  
there 11.40 a.m.; Arr. Tsitsihar 1.20 p.m.

Lv. Tsitsihar (on Tuesday, Thursday & Saturday) 10  
a.m.; Arr. Harbin 11.30 a.m., leaving there 11.40 a.m.;  
Arr. Changchun 1.00 p.m. leaving there 1.10 p.m.; Arr.  
Mukden 2.45 p.m.

Until further notice, no Harbin-Tsitsihar line will  
be worked, and on Monday, Wednesday & Friday, the Mukden-  
Harbin line will be operated according to the above table.

(3) Mukden-Dairen Line. (Once a week)

Lv. Mukden 8.30 a.m.; Arr. Dairen 10.30 a.m.; leaving  
there 1.00 p.m.; Arr. Mukden 3.10 p.m.

Until further notice, this line will make a return  
trip on Tuesday, Thursday and Saturday.

As to the passenger rates, a New Wiju-Mukden trip  
costs ¥ 14; a Harbin-Tsitsihar trip ¥ 18; a Changchun-  
Harbin trip ¥ 20; a Mukden-Changchun trip ¥ 15; and Mukden-  
Dairen trip ¥ 20.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

## DOCUMENT FILE

### NOTE

SEE 600.60f9/23 FOR Despatch #608  
FROM Czechoslovakia ( Hibbard ) DATED Dec.23,1931.  
TO NAME 1-1127 o.p.

REGARDING: Effect of difficulties in Manchuria  
caused by Sino-Japanese conflict on  
export trade of Czechoslovakia.

FU

793,94 / 3623

TELEGRAM RECEIVED

th

GRAY

NANKING

FROM

Dated Jan. 24, 1932

RECEIVED  
JAN 25 1932  
DIVISION OF

Rec'd. 9.30 am

SECRETARY OF STATE

WASHINGTON

Division of  
FAR EASTERN AFFAIRS

JAN 25 1932

Department of State

14, January 24, 4 pm

The following telegram has been sent to the Legation.

"January 24, 3 pm. My January 23, 1 pm.

One. The Minister of Foreign Affairs informed the French Minister and me January 24, 10 pm that the Chinese Government had secret information from Japan that the Japanese Government intends to blockade Shanghai and possibly other Yangtze ports in case of the refusal of the Chinese to yield to the demand that all anti-Japanese agitation be suppressed. He said that Chinese leaders had discussed but had not decided whether to direct their first attention to meeting the communist menace in the interior or the Japanese menace at Shanghai. He also said that he was going to Shanghai last night and that he would decide after consulting friends whether he would return or not. Eugene Chen said bitterly that the published speech of Chiang Kai

Shek

F/DEW

793.94/3624

FILED

JAN 25 1932

793.94  
note  
893.1028  
293.11  
711.92

rh #2 of No. 14 from Nanking

Shek opposing the severing of diplomatic relations and advocating continued reliance on the League etc., was an open invitation to Japan to use military force and Chen insisted that the aim of Japan is to destroy all government in China. He said that the promised cooperation between Nanking and Canton factions is not taking place and that Nanking and the country are still under the military domination of Chiang Kai Shek, which fact renders continuance of Chen as Minister of Foreign Affairs impossible.

This morning I have been told by an unofficial source that Eugene Chen went to Shanghai last night armed with plenary powers to settle the Japanese incident there along lines decided upon by the Government, but I believe that this report has been released merely to quite the public. From the same source I hear that if the Japanese take radical measures in Shanghai the Chinese Government will resist with force and that extraordinary measures are being taken in Nanking to forestall any attempts by the Japanese to create disturbances in the capital.

Two. Wang Ching Wei and Chiang Kai Shek as  
members

1006  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

rh #3 of No. 14 from Nanking

members of the Standing Committee of the Central  
Political Council are the acknowledged heads.

(end of section one)

PECK

1064

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

FE

TELEGRAM RECEIVED

REP

CORRECTED FROM PAGE 1.

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

NANKING

Dated January 24, 1932

Rec'd 10:55 a. m.

Secretary of State.

Washington.

14, January 24, 4 p. m. (SECTION TWO).

of the Government in Nanking today with Sun Fo, Feng Yu Hsiang and other political and military leaders in secondary importance. On January 24, 10 a. m., Wang Ching Wei held a frank consultation with Wilden the French Minister and the latter has informed me of the substance. The following is very condensed summary: (EFD GRAY).

Three. In the face of the Japanese demands for the settlement of the recent Shanghai incidents the Chinese Government must either refuse to comply or else admit defeat and offer to negotiate. Resistance would inevitably be followed by armed conflict and the National Government would find it impossible to fight simultaneously with the communists and the Japanese. Nevertheless Wang informed Wilden that the Chinese Government wishes to inquire what attitude the British, French and American Governments would take if the Japanese were to take military

793.94/3624

106  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

C O R R E C T E D P A G E 2.

2- #14, from Nanking, Section Two.

military measures at Shanghai. For instance would these governments insist upon the inviolability of the international settlement and the French concession? Wang said the intention of the Japanese would be to tie up the whole Yangtze valley and strangle the Chinese Government by seizing the sources from which the Government derives its financial and material support. Turning to the alternative possibility Wang said the Chinese Government might agree to negotiate but this would inevitably mean admission of defeat and would bring up all outstanding questions between China and Japan. Wang referred to hopelessness of such negotiations from the standpoint of China and the impossibility, for instance, that China should accept the five fundamental principles including recognition of the validity of all treaties concerning Manchuria known and unknown. Wang inquired whether arrangement could not be made for neutral observers as at the Washington Conference. The French Minister told me that it was perfectly evident that China is asking the powers to make it possible for China to open negotiations with Japan and he told me that the

rh ~~#2~~<sup>3</sup> of No. 14 from Nanking

that the inquiry was a very formal one directed through him to the Governments of Great Britain, France, and the United States. The replies of the French Minister to all of the questions asked were noncommittal.

(GRAY) Four. Wang told the French Minister that the Nanking Government could count upon the loyalty of all factions in China including Chang Hsueh Liang and Canton but that the communist threat was an extremely serious one and that the National Government would begin a campaign of suppression at once. Armed resistance to Japan would undoubtedly result in immediate intensification of attacks by the communists. (END GRAY)

Five. My personal impression is that unless friendly powers mediate at this juncture the continued existence of the Chinese Government will be seriously imperiled irrespective of the course it decides upon, and that if there ceases to be a Government at Nanking general disintegration and confusion throughout the country will follow as rapidly as they did in Manchuria the events beginning September 18. In that case it would be difficult to extend any assistance to widespread

American



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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

rh #4 of No. 14 from Nanking

American missionary interests in the interior.

(GRAY) Six. To save time I am sending this telegram simultaneously to the Legation and the Department but I respectfully request that the Department defer judgement until it has received the comments of the American Minister at Peiping".

(end message )

PRIME

WSB

1 - 106

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

rh

TELEGRAM RECEIVED

GRAY

NANKING

RECEIVED

JAN 25 1932

FROM

Dated Jan. 24, 1932

Rec'd. 10.55 am

DIVISION OF

COMMUNICATIONS AND  
SECRETARY OF STATE

WASHINGTON

14, SECTION TWO

January 24, 4 pm of the Government in Nanking today with Sun Fo, Feng Yu Hsiang and other political and military leaders in secondary importance. On January 24, 10 am, Wang Ching Wei held a frank consultation with Wilden the French Minister and the latter has informed me of the substance. The following is very condensed summary:

Three. In the face of the Japanese demands for the settlement of the recent Shanghai incidents the Chinese Government must either refuse to comply or else admit defeat and offer to negotiate. Resistance would inevitably be followed by armed conflict and the National Government would find it impossible to fight simultaneously with the communists and the Japanese. Nevertheless Wang informed Wilden that the Chinese Government wishes to inquire what attitude the British, French and American Governments would take if the Japanese were to take military

rh #2 of No. 14 from Nanking

military measures at Shanghai. For instance would these governments insist upon the inviolability of the international settlement and the French concession.

Wang said the intention of the Japanese would be to tie up the whole Yangtze valley and strangle the Chinese Government by seizing the sources from which the Government derives its financial and material support. Turning to the alternative possibility Wang said the Chinese Government might agree to negotiate but this would inevitably mean admission of defeat and would bring up all outstanding questions between China and Japan. Wang referred to hopelessness of such negotiations from the standpoint of China and the impossibility, for instance, that China should accept the five fundamental principles including recognition of the validity of all treaties concerning Manchuria known and unknown. Wang inquired whether (?) could not be upon neutral observers as at the Washington Conference. The French Minister told me that it was perfectly evident that China is asking the powers to make it possible for China to open negotiations with Japan and he told me

that the

107  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 393.115 Radio Corp. of America/ FOR Tel. 5p.m.  
3 1/2

FROM Shanghai ( ) DATED Jan 27, 1932.  
TO NAME 1-1127 070

REGARDING:

Chenju Radio Station.

Inform the Japanese Consulate General that the American  
Government is much concerned over this station due to  
the American investment involved.

793.94/3625

793.94

1-107

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM SENT

DEPARTMENT OF STATE

January 27, 1932.

5 p.m.

AMERICAN CONSUL,

SHANGHAI (China).

Your January 25, 3 p.m..

URGENT.

One. Please bring urgently and orally to the attention of the Japanese Consul General, as under instruction from the Department, that information received by you and by the Department (without reference to the source of such information) indicates that Japanese armed forces may have in contemplation activities in territory near the International Settlement including areas in which radio transmitting and receiving stations are located; that obviously such activities may endanger these stations and jeopardize communications service; that the Radio Corporation of America has a substantial interest in the radio transmitting station at Chenju; that the Shanghai circuit of the Radio Corporation is carrying a substantial portion of communications traffic with China; and that the revenue received by the Corporation from this circuit is substantial in amount. You should state that the American Government is seriously concerned over the possibility of injury to substantial American interests and would greatly regret any interference with channels of communication to and from Shanghai. You may add that the American Government sincerely hopes that the reported intent of the Japanese military has no basis in fact.

107  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

-2-

Two. The Department is also instructing the Ambassador at Tokyo to take this matter up immediately with the Japanese Minister for Foreign Affairs.

Three. Repeat to Peiping.

STIMSON

((WRG))

SKH  
FE:MMH/zmf

1074  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 393,115 Radio Corp. of America/ FOR Tel. 3p.m.  
1 1/2

FROM Shanghai ( Gunningham ) DATED Jan 25, 1932.  
TO NAME 1-1127 \*\*\*

REGARDING: Chenju Radio Station. Understands that Japanese intend  
to take - tonight.

793.94/3625

773.44

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

MET

GRAY

Shanghai via N.R.

Dated January 25, 1932.

Rec'd 6 a.m.

Secretary of State,

Washington.

January 25, 3 p.m.

CONFIDENTIAL.

I have been informed by local representative of Radio Corporation of America that he has received information from an American source, undivulged, which he considers reliable, that the Japanese intend to occupy the radio transmitting station at Chenju, 7 miles from Shanghai, at 8 o'clock tonight. He states that the Radio Corporation of America has a substantial financial interest in this station and he desires all steps to be taken which will prevent the station being closed. I have told him that in the event he secured confirmation of this intention I will inform the Japanese Consul General of the American interest in the plant and endeavor to ascertain the intentions of the Japanese there (?).

Repeated to the Legation.

CUNNINGHAM

HPD-KLP



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75



LEGATION OF THE  
UNITED STATES OF AMERICA  
Berne, January 14, 1932

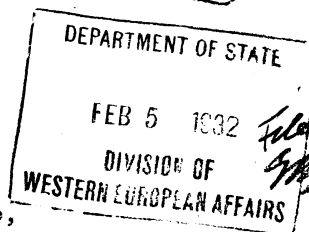
No. 2427



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note  
7/11/74



F/DEW 793.94/3626

The Honorable  
The Secretary of State,  
Washington.

Sir:

1 - I have the honor to forward herewith a translation of an article appearing on the front page of the GAZETTE DE LAUSANNE, January 12, 1932, written by Maurice Muret, on Japanese-American relations.

For the information of the Department, I may say that Mr. Muret writes frequently for the GAZETTE DE LAUSANNE, is married to an American, but has usually a somewhat anti-American point of view in his articles relating to the United States. His articles are read quite generally by the Swiss readers reached by the GAZETTE DE LAUSANNE.

Respectfully yours,  
For the Minister:

*Winthrop S. Greene*  
Winthrop S. Greene  
Secretary of Legation

Enclosure:

1. Translation: "United States Versus Japan."

FEB 6 1932

FILED

10077  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

#### UNITED STATES VERSUS JAPAN.

The Government at Washington never ceases to declare that it refuses to participate in any "political entanglements", either in Europe or in any other continent. It affects to revive, in theory, for its own use the doctrine of "splendid isolation", so long dear to Great Britain. But in fact, the Government of the United States follows quite a different policy. As soon as its interests, or what it considers its interests, are at stake, it intervenes all over the world, and speedily at that. That is what it has just done in the case of Japan by means of the rather stiff note with which Washington has called Tokyo's attention to the nine-Power Treaty and to the engagements which the Japanese Government entered into in that treaty to maintain the principle of the "open door" in territory under its control. The very warm terms with which Mr. Hoover, in receiving the new Minister of China at Washington a few days ago, assured him of the active sympathy of the American people gave intimation of the sending of a note to Tokyo. For several weeks American business houses in Manchuria have been complaining that they have been interfered with by the advance of the Japanese troops and by the Japanese authorities. The United States has in Manchuria, as it has in the rest of China, a temporarily declining market, but it wishes to retain what it has and to enlarge it. Mr. Stimson's note, which can almost be characterized as threatening, has bluntly called the attention of the Tokyo Government to the fact that the old American-Japanese rivalry in China still continues, and that in their territorial expansion in Asia the Japanese will, for a long time to come, find the United States in front of them and opposed to them.

The

- 2 -

The Government at Washington has let it be understood that the Japanese in their advance to the west of Chinchow and in their occupation of Chang Hai Kouan at the foot of the Great Wall have overstepped the bounds, and it is the entire policy of Japanese expansion in China which the Department of State's note calls in question.

The United States probably hoped to be supported in its demarche by the other powers signatory to the Treaty of 1922, but these powers have other irons in the fire. Washington has not been seconded even by London. This fact is worth nothing. The United States obliged England immediately after the war, to give up its alliance with Japan, which had for a long time been the pivot of British policy in the Far East, but nevertheless England retains its sympathy for Japan. On this point the tone of the English press during the recent Sino-Japanese conflict is significant. It interprets the sentiment of the Government itself and it is by a flat refusal that London has just replied in the negative to the American request for collaboration.

An official communiqué published last Saturday at London states that in view of the reiterated promises of Japan to maintain the open door in Manchuria, whatever may happen, His Britannic Majesty's Government will take no further action for the moment.

Thus the Government at Washington advances like a solitary knight against Japan. At a time when American commerce is passing through such severe trials, we can scarcely refuse to hope that it will be able to keep and to improve its position in China. But it is very clear that the demarche of Mr. Stimson will embitter still more

the

- 3 -

the already strained relations between the United States and Japan. At a time when the European situation contains so many dangers of possible conflict, it is apparent that there are arising in Asia complications no less serious. One must read in the interesting French review "Le Mois", No. 11, the bitter manifesto of the Japanese ex-Lt. General Kikatsu Sato in order to understand to what degree the obstacles put in the way of Japanese expansion in China by the United States have exasperated certain Japanese. "The United States", says Mr. Kikatsu Sato, "has elaborated a program which permits it to occupy by and for itself the whole of China and it is proceeding rapidly toward the realization of this plan". In order to attain its end there is no humiliation and no denial of justice which it has not inflicted upon Japan. "We have been insulted in every way. They have spat in our eyes. They have thrown mud in our face; they have bound us hand and foot". In conclusion Mr. Sato says: "War between the United States and Japan is inevitable". Here is the blunt opinion of a Japanese military man in regard to American policy in the Far East. We do not believe that the war of which he speaks is imminent, but the last note of the United States to Japan does not serve to ameliorate their relations.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

TELEGRAM RECEIVED

GRAY  
NANKING

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

Dated January 25, 1932

FROM

Rec'd 8:50 a. m.

Secretary of State,

Washington.

15, January 25, 6 p. m.

My 14, January 24, 4 p. m.

The following telegram has been sent to the Legation:

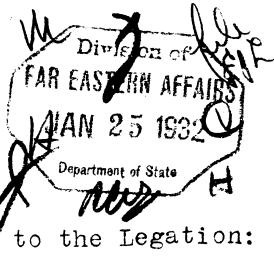
"January 25, 5 p. m.

My January 24, 3 p. m.

The tension over the Shanghai incidents of recent date  
Government  
has been lessened because the Chinese has decided to meet  
the Japanese demands as far as circumstances permit and  
negotiations are being conducted by the Chinese local  
authorities in a conciliatory spirit. In addition to its  
natural disinclination summarily to close the patriotic  
anti-Japanese organizations the Government feels that it has  
lost so much prestige in its controversy with Japan that  
summary actions of this sort, which is among the demands,  
would provoke dangerous popular opposition. Sun Fo in  
sympathy with Eugene Chen in the matter of severing of  
relations, left Nanking January 23, 8 a. m., and it seems  
uncertain whether he can return to his post. Chen has  
telegraphed his resignation. Repeated to Department.

PECK

RR



F/DEW

793.94/3627

FILED

FEB 1 1932

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

in **EE**

TELEGRAM RECEIVED

MET

FROM

GRAY

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

Peiping ~~via~~ **N.R.**

Dated January 25, 1932

Rec'd 6:25 a.m.

Secretary of State,

Washington

121, January 25.

Legation's 113, January 23, **p.m.**

Following from American Consul General at Harbin:

"January 21, 3 p.m.

One. Advance guard of General Ma's troops entered Tsitsihar yesterday and General Ma is expected to enter that city tomorrow.

Two. Unconfirmed press reports state that General Chang Hai Pen on January 21st at Mukden assumed charge of the guard troops of the Ssu-and tao-ang Railway, the section of the latter on the side north of Tahsing Station to be guarded by Ma.

Three. New Kirin official appointees yesterday took over charge of the ~~Harbin~~ Electric Company and river and Fuchiatien police administrations.

Four. General Ting Chao commanding the 16th Brigade, and

F/DEW 793.94/3628

FILED

FEB 1 1932

*m* *7 files*  
Division of  
FAR EASTERN AFFAIRS  
JAN 25 1932  
Department of State  
*Ray*

108  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2-#121 from Peiping via N.R.  
January 25, 1932,

and other commanders including those of the 22nd and 26th  
brigade and the Commissioner at Sansui, have pledged  
their allegiance to Hsi Chia.

Five. It can be concluded that Heilungkiang and Kirin  
Provinces are now under the control of the Japanese army,  
acting through Chinese officials selected or tolerated  
by it".

JOHNSON

KLP-HPD

TELEGRAM RECEIVED

MET

FROM

GRAY

Peiping via N.R.

Undated

Rec'd January 25, 1932,  
6 a. m.

Secretary of State,

Washington

120.

Following from American Consul General at Nanking:

"January 21, 1 p.m.

My January 19, 3 p.m.

Wang Ching Wei, Chiang Kai Shek, Li Tsung Jen, Sun Fo,

Eugene Chen and other leaders held informal discussions

yesterday and this morning but Eugene Chen tells me that <sup>important matters</sup> decisions in regard to ~~impotence~~ have been reached. Chen is pressing for the severing of diplomatic relations with Japan and is strongly opposed by Chiang Kai Shek. The latter has irritated Chen very much by permitting the publication this morning of a speech made by Chiang on January 11th at his home in Chekiang in which speech he opposed the severing of relations. It seems possible that Eugene Chen may feel himself so discredited that he will resign within a few days"

JOHNSON

RR-HPD

F/DEW

793.94/3629

FILED

FEB 1 1932

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note  
893.00



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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

REP

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

FROM

DEPARTMENT OF STATE  
FEB 1 1932  
DIVISION OF  
WESTERN EUROPEAN AFFAIRS  
Dated January 25, 1932  
Rec'd 9:30 a. m.

Secretary of State,  
Washington.

27, January 25, 9 a. m.

793.94  
note  
500 C/112

Yen, Chinese representative, called on me yesterday  
afternoon. He discussed at some length the Manchurian  
situation from the Chinese viewpoint. As to the position  
he would take in the Council he said that he would  
recapitulate the happenings respecting Manchuria since  
the end of the Paris session of the Council and among  
other things he would discuss the American note of  
January 7. This confirms my views of what the Chinese  
would do and it is my belief that the Japanese representa-  
tive will follow the same course. My understanding of  
present League policy is, however, that an endeavor will  
be made to prevent this discussion from assuming the  
aspect of recognizing the existence of new issues and  
that unless a material change occurs in the situation the  
position will be taken that the matter is in the hands of  
the Commission of Inquiry and that its report will be  
awaited.

Yen then disclosed his hope that the United States  
would be

Division of  
FAR EASTERN AFFAIRS  
JAN 25 1932  
Department of State

F/DEW

793.94/3630

FEB 3 1932

10085  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

REP

2- #27, from Geneva, Jan. 25, 9 a.m.

would be represented on the Council at the present session inasmuch as his Government felt that such American representation would be a favorable element in the settlement of the controversy. He showed me telegraphic exchanges between himself and the Chinese Charge d' Affaires in Washington in which the latter reported that in response to inquiries on this point the Department of State had been non-committal. At the conclusion of Yen's visit I was, however, left with a feeling of confidence that Yen would not (repeat not) bring forward the question of American representation on the Council. Although, of course, no absolute prediction can be made, inasmuch as China seems to be the power chiefly interested in this question, I am still more hopeful that matters will follow the line of of the Consulate's number 25, January 22, 10 a. m. That some discussion of this will appear under Geneva date lines in the American press is, in my opinion, inevitable.

GILBERT

RR

KLP

1-138  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

TELEGRAM SENT

1-138

TO BE TRANSMITTED

CONFIDENTIAL CODE

NONCONFIDENTIAL CODE

PLAIN

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect  
Charge Department

OR

Charge to  
\$

Department of State

Washington,

January 25, 1932.

This cable was sent in confidential code.  
It should be carefully paraphrased before  
being communicated to anyone.

AMERICAN CONSUL

GENEVA (Switzerland)

For your confidential information and guidance.  
Your 27, January 25, 9 a.m., second paragraph.

When the Chinese Chargeé stated that the Chinese Minister wished to know whether American Government would be represented at the next meeting of the Council, the Chief of the Division of Far Eastern Affairs replied that the question had not been discussed and that he QUOTE had no doubt but that we would maintain a contact but saw no reason to expect that we would have anyone sitting in or directly associated with the meetings of the Council UNQUOTE.

It is to be hoped that the Chinese Minister will <sup>repeat not</sup> not put forward the question of American representation on the Council.

Stinson

SKH

FE:SKH/ZMF

RAM  
m. m. FE  
SKH

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1929 1-138

793.94/3630

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

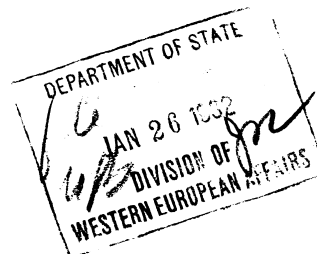
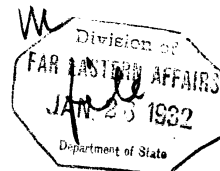


PM RECD

LEGATION OF THE  
UNITED STATES OF AMERICA  
Riga, Latvia.

January 9, 1932.

JAN 25 32



F/DEW

793.94/3631

793.94  
note  
758.93  
758.94  
758.60m  
758.61

STRICTLY CONFIDENTIAL.

No. 8382

The Honorable

The Secretary of State,  
Washington.

Sir:

I have the honor to report that, in a conversation on Tuesday, January 5, with one of the members of the staff of the Legation, Mr. Patrik C.R. de Reuterswärd, the Minister of Sweden accredited to this country, Estonia and Lithuania, referring to the Manchurian events, expressed himself very outspokenly as pro-Japanese.

Mr.

FOR DISTRIBUTION - CHECK		Yes	No
To the File	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In U	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

FEB 4 1932

FILED

-2-

Mr. de Reuterswärd not only expressed wholehearted sympathy with the Japanese aims in Manchuria, which he interpreted in the widest sense, but said that the course of events in China has disclosed plainly that that country cannot be kept intact in the present stage of its development; that it must and ought to be broken up into several units; that the North and the South are as unlike as Sweden and Italy, for example, and as mutually repellent as Sweden and Italy would be if united under a single government; that reunion of China can be hoped for only from a further course of historical development, and that nobody can foresee how much time that development would require.

It may be observed that Sweden had been very active financially in the Baltic States during the entire incumbency of Mr. de Reuterswärd as Minister to Estonia, Latvia and Lithuania, up to the present crisis, and that a visit of the King of Sweden to Estonia and Latvia was very well received (See Legation's despatch No. 6243, of July 3, 1929). The Swedish Match Trust granted credits to all three countries and obtained a monopoly of the match market of Latvia (see despatch No. 5379, of June 9, 1928). Money and credits were flowing freely from Swedish banks to Latvian financial concerns. Sweden therewith displayed an ambition to strengthen its influence in the Baltic States.

That Sweden has historical grounds for watchfulness in respect of Russian foreign policy, it is, of course, supererogatory to recall. Sweden evidently has an interest

-3-

interest in the conservation of the present smaller powers in the Eastern Baltic Sea, Finland, Estonia, Latvia and Lithuania. Resentment probably has been aroused in Sweden by the competition of Russian timber and matches with the Swedish. In this connection, I refer to this Legation's despatches No. 7959, of August 14, 1931, on the Russian timber industry, and Nos. 8232 and 8271, of November 17 and December 1, 1931, respectively, on the Russian match industry.

*861.6171/12*  
*861.659 matches/4*  
*861.659 matches/5*

These reasons might move Sweden to desire Russia to be engaged in the Far East in order that its attention may be diverted from the Baltic.

Mr. de Reuterswärd belongs to an influential Swedish family and, it is believed, is likely to be informed of the views of the Swedish Government on foreign affairs, and possibly of whatever interchanges there may have been between his Government and others in reference to China and Manchuria.

Confidential biographic data on Mr. de Reuterswärd was sent to the Department on September 15, 1930.

Respectfully yours,

*Felix Cole*

Felix Cole  
Charge d'Affaires a.i.

710 Japan-China.

DBM/mhg

4 Carbon Copies  
Received *JM*

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE  
NOTE

SEE 393.6323 Parges, A./1 FOR Tel.#- 4pm  
FROM Shanghai ( Cunningham ) DATED Jan. 25, 1932.  
TO NAME 1-1127 ooo

REGARDING: killing of A. Parges, an Austrian subject,  
by a Chinese soldier in China.

793.94/3632

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

GRAY

Shanghai via N. R.

Dated January 25, 1932

Rec'd 9:25 a. m.

Secretary of State,  
Washington.

January 25, 4 p. m.

A. Parges, Austrian subject and manager of the  
Shanghai office of American Express Company, was shot by  
Chinese soldier sentry near Lunghwa Pagoda January 24th.  
He died soon after.

Repeated to the Legation.

CUNNINGHAM

RR

HFD



109  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 893.918/63 FOR #5305

FROM Harbin ( Hanson ) DATED Dec 24, 1931  
TO NAME 1-1127 070

REGARDING:

Censorship of the press in the Manchurian dispute by the Chinese .

ek

793.94/3633

1 1009  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

SUBJECT: TRANSMITTING MEMORANDUM OF CONVERSATION  
WITH MR. HSU CHEN.

THE HONORABLE  
THE SECRETARY OF STATE  
WASHINGTON

SIR:

I have the honor to transmit herewith, for the  
1/ information of the Department, a copy of my despatch  
No. 2301, of even date, forwarding to the Legation  
a copy of a memorandum of a conversation recently held  
by certain American newspaper correspondents with Mr.  
Hsu Chen, Director of the Chinese Telegraph, Telephone  
and Radio Administration at Harbin, in regard to the  
censorship of press messages at Harbin.

Respectfully yours,

G. C. Hanson  
American Consul General.

1 enclosure as indicated.

874  
SC1/scc

1092  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

SUBJECT: TRANSMITTING MEMORANDUM OF CONVERSATION  
WITH HSU CHEN, DIRECTOR OF THE CHINESE  
TELEGRAPH, TELEPHONE AND RADIO ADMINISTRA-  
TION AT HARBIN.

The Honorable

Nelson Trusler Johnson,  
American Minister,  
Peking, China.

Sir:

I have the honor to enclose herewith, as of possible  
1/ interest to the Legation, a memorandum prepared by Mr.  
S. O. Chen, Chinese Interpreter of this Consulate General,  
of a conversation held by certain American newspaper  
correspondents with Mr. Hsu Chen, Director of the Chinese  
Telegraph, Telephone and Radio Administration at Harbin,  
in regard to the censoring of news messages sent out from  
this city. It shows clearly the lengths the local censors  
have gone in an endeavor to have only news messages favorable  
to China's cause from their point of view sent out from  
here.

Respectfully yours,

G. O. Hanson  
American Consul General.

874  
SGP/acc

Copies have been sent to the Department.

*MC*

pendent) and Sweetland (Chicago Daily News correspondent), accompanied by me, called upon Mr. Hsu Chen, Director of the Telegraph, Telephone and Radio Administration at Harbin, in regard to the censorship of certain press messages sent out by the former from Harbin. After thanking Mr. Hsu for the various facilities and favorable arrangements accorded by the local radio office to the American journalists, Mr. Kuh pointed out that he had found out that a message sent by him from Anganghai to Harbin to be relayed to London had been censored here and changed to make a statement quoted therein from General Tamon (Japanese Commander at Tsitsihar, Heilungchiang Province) to read just to the opposite effect. Mr. Kuh regretted the falsification of a message over his signature in such a manner and told Mr. Hsu that such action would damage rather than help the cause of China in the eye of the readers of the newspapers he represented. Both Messrs. Kuh and Sweetland assured Mr. Hsu that they had come to Manchuria for the purpose of reporting the truth, observing the strictest neutrality in their messages to the American and other foreign newspapers and affording the Chinese and Japanese alike a fair opportunity to present their views, unhampered and uncolored. A direct statement quoted from the Japanese military, true or false, when it appeared in the press, would only indicate to the outside world, particularly the reading public in America, what the Japanese military actually intended to do. It was further pointed out to Mr. Hsu that the message in question had been censored and changed without the sender's knowledge and in contradiction to a promise previously given by Mr. Hsu to the American journalists that the latter would be consulted in advance in such instances.

Mr. Hsu replied that it was his duty to censor press messages so as to make them agree with the real facts, and that from his point of view of patriotism all that conveyed a true representation of the facts here would benefit China. The law required him to do so, especially as there was censorship authority other than and superior to his. The message in question was censored before Mr. Kuh came back from Anganghai, therefore without the knowledge of its sender. The conversation closed with the re-assurance given by Mr. Hsu that the American journalists would be consulted in the future should any changes in their messages be deemed necessary and with Mr. Kuh's assurance that he considered the issues involved so important that the incident under discussion seemed trivial; Mr. Kuh added that the incident itself would not affect his attitude towards the significant objects of the Sino-Japanese controversy.

- - - - -

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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

TELEGRAM RECEIVED

RT

WP

FROM GRAY

DEPT. OF STATE  
RECEIVED

Shanghai

JAN 25 1932

Dated January 25, 1932

DIVISION OF

Rec'd 8:45 p. m.

Secretary of State,

Washington

January 25, 5 p. m.

CONFIDENTIAL.

Foreign members of Shanghai Municipal Council

including Japanese held a meeting this morning to determine whether a state of emergency exists and the decision was in the negative for the time being. I learn from thoroughly reliable source that Japanese Consul General has promised that reply from Mayor to Japanese demands given in my January 25, 2 p. m., will be given to Council 24 hours in advance of any Japanese action. Reply is expected this afternoon.

Repeated to the Legation.

CUNNINGHAM

FW-OK

Division of  
FAR EASTERN AFFAIRS  
JAN 26 1932  
Department of State

F/DEW

793.94/3634

FILED

JAN 26 1932

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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RECEIVED

JAN 26 1932

DEPARTMENT OF  
COMMUNICATIONS AND TRANSPORT

Secretary of State

Washington.

32, January 25, 10 p.m.

(GREEN) Council this afternoon in public session resumed

consideration of the Sino-Japanese dispute at the request of  
Yen, Chinese delegate.

One. President of Council summarized League action since  
December 10th particularly the organization of Commission of  
Inquiry. He recalled the Commission's wide powers in an  
advisory capacity and virtually restated Briand's observations  
of December 9.

Two. Yen followed by a vigorous attack against the  
Japanese aggression declaring that the events of September  
18th, 1931, were only "the initial step in a deliberately  
planned and ruthlessly executed program of unjustifiable  
aggression of one nation against the territorial and admin-  
istrative integrity of another". His speech continued in this  
general tenor, quoting the American note to Tokyo regarding  
the destruction of Chinese administrative authority in South  
Manchuria and declaring that Japan had broken her solemn  
promise regarding the withdrawal of troops and had cynically  
violated treaty obligations. Deploring the delay of the  
Commission at reaching Manchuria he hinted that China had  
under

GREEN AND GRAY

Geneva

Dated January 25, 1932

Recd 9:10 p.m.

Division of  
FAR EASTERN AFFAIRS

JAN 26 1932

Department of State

DEPARTMENT OF STATE  
FEB 5 1932  
DIVISION OF  
WESTERN EUROPEAN AFFAIRS

F/DEW

793.94/3635

FILED

FEB 5 1932

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793.94-Commission  
693.001  
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-2- #32 from Geneva.

under consideration appeal under other articles of the Covenant.

Three. Sato then made a lengthy reply in justification of Japanese attitude. He denied that Japan's operations in Manchuria could be characterized as military occupation in view of the small number of troops there and the vastness of the territory and said that the local authorities remain with only a few exceptions. He defended the occupation of Chinchow on the ground of banditry and disorder caused by irregular troops in connivance with the Chinese authorities. He recalled that Japan supported the proposal for withdrawing Chinese forces behind the Great Wall and regarding the Council had not seen fit to adopt this plan. The occupation of Chinchow is only provisional and it will be maintained only as long as necessary to safeguard the maintenance of peace and order.

With regard to the events in Shanghai he laid the blame principally on the Chinese authorities for not suppressing the anti-Japanese demonstrations and gave a detailed account of the recent incidents in that city. He described the riots in Shanghai as the result of weakness on the part of Chinese authorities and of systematic incitement of the masses for purposes of internal policy.

With regard to policy Sato declared that "obviously our troops cannot be withdrawn in the railway zone in as short a period



-3- #32 from Geneva.

period as we had hoped". Since Japan had undertaken the cleaning up of Manchuria, it was impossible to leave the task half done.

(GRAY) In conclusion Sato reiterated the Japanese intention to maintain the "open door" in Manchuria and that Japan had not territorial aims there but it is absolutely essential for her existence that rights accorded Japan under treaties validly concluded should be respected and the Japanese nation is unanimous in demanding the safeguarding of these rights and interests. He supported the sending of the Commission to Manchuria and expressed the view that the Council must await the results of its investigations before taking further steps.

Four. Yen then made a brief reply to the Japanese declaration wherein he recalled that Japan had promised not to occupy Chingchow, that this occupation was postponed on account of the demarches of Great Britain, France and the United States and was ultimately accomplished when the military gained complete control. He declared that Chingchow was taken on the ground that Chinese troops were being concentrated there but cited the evidence of Colonel Marget in refutation. He characterized the Japanese excuses as "quibbles" and petty incidents. Declaring that Japan has invaded China three times since 1913 he expressed a hope that China will receive adequate treatment from the Council.

Five.

note  
693.001  
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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

-4- #32 from Geneva

Five. The President in a concluding statement expressed the opinion that the Council would welcome time to consider two matters in particular:

One. Delay in the departure of the Commission and whether any other action was possible under the circumstances.

Two. The situation in Shanghai.

The meeting adjourned until tomorrow.

GILBERT

JS

*note  
792.94-Commission*

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM SENT

Department of State

1052 JAN - 25 11:45 Washington,

January 25, 1932.

AMLEGATION

2-6 PEIPING (China)

CONFIDENTIAL

Department, January 25 6 p.m. to Shanghai.  
One. It is my understanding that the Japanese Admiral,  
at Shanghai recently issued a statement implying an  
intention on his part to take special steps to protect  
rights and interests of Japan; that on January 22 the  
Chairman of the Shanghai Municipal Council, a British  
subject, called on the Senior Consul, American, at  
Shanghai, and informed the Consul that he, the Chair-  
man, intended to call on the Japanese Admiral and request  
that the Admiral arrange to preserve order at a  
Japanese mass meeting scheduled to be held the  
next day presumably within the International Settle-  
ment; that the Senior Consul stated emphatically that  
the Municipal Council should take the matter up with  
the Japanese Consul General rather than with the  
Japanese Admiral and that, in case conditions became  
such as to render it impossible for the Municipal  
Council with its police and the volunteer armed forces  
at its disposal to control the situation, the Council  
should apply to the Senior Consul toward obtaining

assistance

Enciphered by .....

Sent by operator ..... M., ..... 19.....

793.94/3635A

793.94/A  
note  
893.1025

1-128  
PREPARING OFFICE  
WILL INDICATE WHETHER  
Collect  
Charge Department  
Charge to  
This cable was sent in confidential code.  
It should be carefully paraphrased before  
being communicated to anyone.

1-128  
TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

1 102  
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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

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Charge Department

OR

Charge to

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## TELEGRAM SENT

1-138

TO BE TRANSMITTED

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NONCONFIDENTIAL CODE

PLAIN

## Department of State

Washington,

- 2 -

assistance of all the powers; that the Chairman thereupon approached the Japanese Consul General; that later the Chairman and the Secretary General of the Council, American, together with the Japanese Consul General, called on the Japanese Admiral; and that the Admiral promised that he would take no action in the Settlement without first consulting the Settlement authorities.

The American Government approves the position taken and the views expressed by the Senior Consul. It believes that authority and responsibility for administering the International Settlement lies in first instance with the Municipal Council. It believes that this responsibility of the Municipal Council is particularly important at this time when it seems to be suggested by one of the powers that it may become necessary for that power to land its forces to protect its nationals within the International Settlement. No power has a right, under international practice, to land its forces for the protection of its nationals unless the local authorities concerned have or have obviously not hesitated not prepared to discharge entirely failed in their duty of police protection.

The International Settlement ~~differs from the rest of~~ <sup>has</sup> China in having a thoroughly organized and disciplined police

Enciphered by .....

police

Sent by operator ..... M., ..... 19.....

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

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Collect  
Charge Department  
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## Department of State

Charge to  
\$

Washington,

- 3 -

police force under a responsible control and composed of a well-drilled personnel. Under these circumstances I feel that it is of the highest importance that the Municipal Council should not repeat not allow the performance of this highly responsible duty of police protection to pass out of its hands unless it is absolutely clear that no other method will suffice to protect the settlement. If and when such an extreme eventuality should occur and the Municipal Council reach the conclusion that no other method of protecting the International Settlement is possible it should so notify the Consular Body through the Senior Consul, and the Consular Body should then make such call as may be deemed necessary upon all of the foreign armed forces available and not upon any single one.

Two. I desire that you discuss this subject informally and confidentially with your British colleague and ascertain (a) whether he concurs in these views and (b) whether, in the event of these principles being disregarded, his Government would be willing to participate in sending to the power or powers disregarding these principles simultaneous protests.

Three. Prior to my receipt of the full details upon which this cable is based, I had already discussed personally

Enciphered by

Sent by operator M., 19

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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Charge to  
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## TELEGRAM SENT

1-138

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
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PLAIN

## Department of State

Washington,

- 4 -

personally with the British Ambassador here, the threatened landing of Japanese troops in the International Settlement and had informed him, for transmission to London, of my views as to the importance of preventing such a landing, if possible, and of insuring that the control of law and order in the International Settlement should be retained in the hands of the Municipal Council and its police force.

Four. An early reply is requested.

Stimson

Sick

S:  
FE: SYH/ZMF; VDM

2/ R  
M.O.  
FE

Lee  
H. G. v

Enciphered by .....

Sent by operator ..... M., ..... 19.....

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1972 1-138

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

MAM

FROM

PLAIN

PEIPING VIA NR

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

Dated January 25, 1932

Rec'd 4:15 p.m.

Secretary of State

Washington

123, January 25, 7 p.m.

Following from Reuter, Nanking, January 25th:

"Mr. Eugene Chen telegraphed from Shanghai this morning officially tendering his resignation from the post of Foreign Minister owing to the Government's rejection of his policy of breaking off diplomatic relations with Japan in favor of a policy of moderation.

At the last minute a drastic change has been made in the instructions sent to Dr. W W Yen, Chinese delegate at Geneva, regarding China's attitude at the meeting of the League today. It is expected that there will be despatched today fresh instructions based on moderation".

RR  
HPD

JOHNSON

F/DEW

793.94/3636

FILED

JAN 28 1932

772.94  
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Division of  
FAR EASTERN AFFAIRS  
JAN 26 1932  
Department of State

106  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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

TELEGRAM RECEIVED

AT

cib

FROM

GRAY

Shanghai

Dated January 25, 1932

Recd 8:30 p.m.

DEPARTMENT OF STATE  
RECEIVED  
JAN 26 1932  
DIVISION OF  
COMMUNICATIONS AND

Secretary of State  
Washington.

January 25, 6 p.m.

This Consulate General has been informed by Eugene Chen that both he and Sun Fo have resigned and that Chiang Kai-shek and Wang Ching Wei are in control at Nanking. He resigned because he claims that Chiang Kai-shek insists on following a passive policy. Had he remained in office Mr. Chen intended to implement Article 16 of the League Covenant. Repeated to the Legation.

CUNNINGHAM

CIB  
CX

F/DEW

793.94/3637

FILED

JAN 26 1932



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustig NARS, Date 12-18-75

# TELEGRAM RECEIVED

FROM

MET  
This telegram must be  
closely paraphrased be-  
fore being communicated  
to anyone.

Geneva

Dated January 26,

Rec'd 6:03 a.m.

Secretary of State,

Washington

DOUBLE PRIORITY.

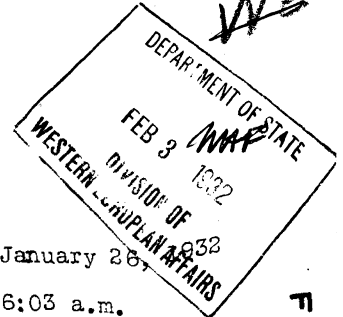
33, January 26, 9 a.m.

Department's 24, January 25, 7 p.m.

Yesterday afternoon Yen gave me oral assurances that  
he would not (repeat not) raise the question of American  
representation on the Council.

GILBERT

JS



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

795.94/3639

## DOCUMENT FILE

### NOTE

SEE 761.9411/7 FOR #1391

FROM Germany (Sackett) DATED January 7, 1932.  
TO NAME 1-1127 o p o

#### REGARDING:

Non-aggression pact. Conclusion derived was that the proposed - followed on the heels of an agreement between Soviet Russia and Japan to divide Manchuria into two spheres of influence.

kfc

1-105  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

Berlin, January 7, 1932.

No.

STRICTLY CONFIDENTIAL.

note 793,94  
and attach  
the copy.  
note 764,94, 893,014,

766.9411/7

The Honorable

The Secretary of State,  
Washington.

Sir:

Confirming my telegram No. 4, of today's date, relative to the possibility of a non-aggression pact between the U.S.S.R. and Japan, I have the honor to report that, in private conversation at the Foreign Office, a member of the Embassy staff was informed that the Sino-Japanese conflict had developed on the basis of understanding between Moscow and Tokyo. Both the Japanese and the Russians had been careful to refrain from treading on each other's toes. The Japanese intended to establish a large sphere of influence in Manchuria but would carefully observe all the outward forms of Chinese sovereignty. As

for

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

- 2 -

for Manchurian provinces contiguous to the proposed sphere of influence, the Japanese would be satisfied with the appointment of governors who were persona grata to the Soviet Government, provided they were not anti-Japanese.

The conclusion thus derived was that the proposed non-aggression pact followed on the heels of an agreement between Soviet Russia and Japan to divide Manchuria into two spheres of influence.

Respectfully yours,

Frederic J. Sackett.

631

JON-GW

A true copy of  
the signed original,  
M. A.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

RE

# TELEGRAM RECEIVED

REP

DEPARTMENT OF STATE  
RECEIVED

FROM

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

JAN 25 1932  
DIVISION OF

PLAIN

Peiping via N. R.

Dated January 26, 1932

Rec'd 4:30 a. m.

Secretary of State,  
Washington.

125, January 26, 9 a. m.

Following from Reuter, Nanking January 25th:

"Sun Fo, President of the Executive Yuan has resigned  
owing to the nonacceptance by the Government of his policy  
towards Japan.

Several members of the Government left here tonight for  
Shanghai by the night express in an endeavor to persuade him  
to return to the capital.

The Minister of Justice Dr. Lo Wen Kan, who is a graduate  
of Oxford University has been appointed Acting Minister for  
Foreign Affairs in place of Mr. Eugene Chen who has just  
resigned."

JOHNSON

JS

F/DEW 793.94/3640

FILED

JAN 28 1932

793.94  
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893.002  
493.50

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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

1  
REP

FROM

PLAIN

Peiping via N. R.

Dated January 26, 1932

Rec'd 4:30 a. m.

Division

FAR EASTERN AFFAIRS

IAN 26 1932

Department of State

DEPARTMENT OF STATE  
RECEIVED  
JAN 26 1932  
DIVISION OF  
COMMUNICATIONS

793.94  
Secretary of State,  
Washington.

126, January 26, 10 a. m.

Following from Reuter, Tokyo, January 25th:

"Owing to the situation in Manchuria having changed through the Chinese regular troops leaving only bandits and irregulars with whom to deal, the War Office announces that the Emperor's sanction has been obtained to recall the Japanese field and heavy artillery belonging to the Twelfth Division and the Guard's Division, also the Ambulance Corps belonging to the First and Fourth Divisions."

JOHNSON

JS

F/DEW

793.94/3641

FILED

FEB 3 1932

TELEGRAM RECEIVED

REP

FROM

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

PLAIN

Peiping via N. R.

Dated January 26, 1932

Rec'd 4:30 a. m.

RECEIVED  
JAN 25 1932  
DIVISION OF  
COMMUNICATIONS AND

Secretary of State,  
Washington.

127, January 26, 11 a. m.

Following from Kuo Wen, Nanking, January 24th:

"The Sino-Japanese situation was discussed at great length at an informal meeting of Kuomintang leaders this afternoon. Those present included General Chiang Kai Shek, Mr. Wang Ching Wei, Marshal Feng Yu Hsiang. The notable absentees were Eugene Chen and Mr. Sun Fo, the latter left for Shanghai this morning to persuade Mr. Chen to return to Nanking.

The proceedings of the meeting are kept in strict secrecy but it is stated on excellent authority that the meeting revealed a unanimity of opinion against Mr. Eugene Chen's proposal to sever diplomatic relations with Japan. It was pointed out in the course of the discussion that since China was not in a position to declare war on Japan after the Mukden outbreak, and since she was not prepared for that course now, it was imperative that some fundamental plan be decided upon.

Concerning

F/DEW

793.94/3642

FILED

FEB 4 1932

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

2- #127, from Peiping, Jan. 26, 11a.m.

Concerning the resignation of Mr. Chen, it was the general opinion of those present that if Mr. Sun Fo was unable to induce him to return to Nanking and resume his duties no future effort in this direction was needed and that another man be appointed to succeed him. In this connection the name of Dr. Lo Wen Kan, Minister of Judicial Administration is mentioned.

The situation in Shanghai also was discussed but the meeting failed to come to any definite decision.

There is a general recognition in party circles that the Sino-Japanese difficulty cannot be solved by empty words and that the diplomatic policy of Eugene Chen takes no account of the actual situation in China.

It is intimated that the Government has decided to adopt a more courageous and efficacious method of dealing with the present impasse."

JOHNSON

JS

HFD



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

DEPARTMENT OF STATE  
DIVISION OF FAR EASTERN AFFAIRS

January 25, 1932.

SHANGHAI SITUATION

1. Cunningham told the Chairman of the Shanghai Municipal Council that he should deal with the Japanese Consul General rather than with the Japanese Admiral; and that "if conditions become such as to render it impossible for the Municipal Council, including the volunteers, to control the situation, he thought the Council should apply to the Senior Consul for the assistance of all the powers". Cunningham said that he thought "the Shanghai Municipal Council was better qualified to handle the situation than the Japanese military". The Chairman promised to call on the Japanese Consul General.

Later the Chairman and the Secretary General (Fessenden, American), in company with the Japanese Consul General, called on the Japanese Admiral. The Admiral promised that he would take no action in the Settlement without first consulting the Settlement authorities.

2. The account of the intention of the Japanese Government to blockade Shanghai was given by Eugene Chen to the French Minister. What Chen says cannot be credited one hundred per cent.

The

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JAN 27 1932

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- 2 -

The discussion of China's possible course of action and Chinese inquiry regarding attitude of British, French and American Governments if Japanese were to take military measures at Shanghai was a conversation between Wang Ching-wei and the French Minister, later reported by the latter to Peck. Wang Ching-wei is none too reliable and we cannot absolutely trust the French Minister. Also, we may well ask: For what reason should a Chinese inquiry with regard to the attitude of the British, French and American Governments be communicated merely through the French Minister?

Our latest information is that "tension over the Shanghai incidents of recent date has been lessened because the Chinese Government has decided to meet the Japanese demands as far as circumstances permit and negotiations are being conducted by the Chinese authorities in a conciliatory spirit". Also, Eugene Chen has telegraphed his resignation. (See Nanking's 15, January 25, 6 p.m.)

Minister Johnson has not yet reported in comment upon Peck's accounts of Eugene Chen's and Wang Ching-wei's statements and inquiries.

In view of all of the above, it is believed that we need not regard the Shanghai situation as a situation <sup>urgently</sup> requiring immediate decision and immediate action on our part.

- 3 -

part. Particularly, it is believed that an inquiry at this moment to the Japanese Government with regard to its intentions would be inadvisable. It is believed that we should carefully study our rights and determine what course of action we shall wish to take if and when our rights or interests are impaired; that we should await further developments; and that we should, if and when the moment comes, act on the basis of law and the facts without then delaying to make special inquiries. *We might consult with the British ~~French~~ <sup>Japanese</sup> Government.*

*A.*  
3. For the moment, it is believed that we should signify to the Legation in Peiping, to Peck at Nanking and to Cunningham at Shanghai that we approve the course which Cunningham has followed and that we regard defense of the authority of the Shanghai Municipal Council and insistence upon its responsibility, in the field of administration, as of paramount importance. *Start*  
A draft of a telegram in that sense is attached.

4. This leaves one question: Peck reports the French Minister as having reported that the Chinese are inclined toward direct negotiations with the Japanese if such can be had in the presence of neutral observers, and as having inquired about such observers. It is believed that, because of the source and the channel of communication, we should not regard this as a definite and official inquiry. But, in order that we may not be

open

- 4 -

B. open to the charge as having paid no attention to a Chinese intimation or inquiry that China would like to negotiate and to have neutral observers, it is believed that we might to advantage inform Peck that, without reference to the inquiry as such, he should take occasion, informally and discreetly, to let it be known to the Foreign Office as on his own responsibility that the American Government has all along favored the principle of direct negotiations and has believed that those negotiations should be held in the presence of neutral observers, and that such are still the views of the American Government. If this idea is approved, a draft telegram will be prepared.

FE:SKH/ZMF

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

FE

TELEGRAM RECEIVED

MET

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

Peking

Dated January 25, 1932

FROM

Rec'd 26th, 2:35 a.m.

Secretary of State,

RECEIVED

Washington

JAN 26 1932

DIVISION OF

124, January 25, 9 p.m.

Nanking's January 24, 3 p.m.:

One. I am replying to Peek as follows:

"Your telegram January 24, 3 p.m. With reference to  
paragraph 3, you state that the French Minister said that  
it was evident to him that China, through Wang, was asking  
the powers to make it possible for China to open negotia-  
tions with Japan and that this inquiry was a formal one  
(repeat formal) directed through him to the several govern-  
ments mentioned. With the Foreign Minister apparently in  
Shanghai, and in the face of uncertainty whether he is there  
to negotiate or whether he has resigned his office, I am at  
a loss to understand the exact purport of Wang's conversa-  
tion with the French Minister unless it is intended to be a  
communication to the League Council scheduled to meet Janu-  
ary 25th. Are you sure that this is not the case (?).

With reference to paragraph five, I suggest that you  
listen to and report any information of this kind that may  
come to

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RECEIVED  
DIVISION OF  
FAR EASTERN AFFAIRS  
JAN 26 1932  
Department of State  
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1932

MET

2-#124 from Peiping, January 26,  
9 p.m.

come to you but make no commitments one way or the other. British Minister, however, heard nothing in regard to Wang's conversation with the French Minister. He is instructing Ingram to see you".

Two. Situation described in Nanking's paragraph one indicates that responsible authorities at Nanking are floundering, due to non-cooperation of several factions and inability to determine upon a policy. In any case I do not see why Shanghai incident should necessarily involve entire range of questions between China and Japan as assumed by Wang. Somewhat similar incidents have occurred at other places and have been settled locally by negotiation.

Three. From Peck's conversations I have received the impression that the Chinese would like to merge the settlement of local issues at Shanghai, involving primarily the question of their responsibility for the protection of Japanese life and property, with the more general controversy regarding Manchuria in the expectation that it may now prove possible in some way to involve the foreign powers in the area of the settlements where there exists such a well defined tradition of immunity from outside interference and  
where

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

3-#124 from Peiping, January 26,  
9 p.m.

where such extensive foreign commercial interests are at stake. I have therefore some concern lest the Chinese precipitately adopt a policy predicated upon bringing about in the Shanghai area some form of concrete intervention which they could not expect to effect elsewhere. I furthermore cannot wholly escape the impression that the Chinese are somewhat over emphasizing the immediate dangers of the domestic situation in the belief that this will prove an effective method of persuading the powers principally interested to some act of mediation which will relieve the Chinese Government of the onus of meeting alone at this time the questions along the China Coast of which the Japanese appear determined to demand settlement.

JOHNSON

HPD-WSB

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

TELEGRAM RECEIVED

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

GRAY

Peiping via N. R.

Dated January 26, 1932

Received 6:30 a. m.

RECEIVED  
JAN 26 1932  
DIVISION OF  
EDUCATIONS

Secretary of State,  
Washington.

128, January 26, 1 p. m.

Following from American Consul General at Harbin:

"January 25, 4 p. m.

One. Chung Yu, local Commissioner of Foreign Affairs,

has had his resignation accepted and will be replaced by

*Kirin*  
[Kuan] appointee.

Two. General Yu Huang Chou, commander of Kirin troops, has been appointed by Hsi Chia as Commander-in-Chief of Chinese Eastern Railway guard troops in the place of Ting Chao, who retains his concurrent post of Commissioner for Fuchiatien.

Three. Old Kirin troops on January 17th and 24th did some looting at Erhtsen-tientse and threatened Ashino on the eastern line of the railway. A large number of foreign and Chinese residents withdrew from the latter place by special trains. Situation there now quiet as railway guards were reenforced.

Four. It is expected that Dohihara will arrive at

Harbin

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JAN 26 1932

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

REP

2- #128, from Peiping, Jan. 26, 1 p.m.

Harbin tomorrow and that Ohashi departing following day  
for conference at Tokyo. During latter's temporary absence  
I shall be senior consul."

JOHNSON

WSB

HPD

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

## DOCUMENT FILE

### NOTE

SEE 852.00 P.R./223 FOR desp.#592

FROM Spain (Laughlin) DATED Jan.11, 1932  
TO NAME 1-1127 \*\*\*

REGARDING: Manchurian situation.

Press comments on - substance of -.

793.94/3646

fo

1125  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

The press is devoting considerable attention to the Manchurian situation, especially to the course of action of the United States. In its issue of January 9th, EL DEBATE, noting the desire of the Washington government that all nations signatory to the Kellogg Pact and the Nine Power Treaty should associate themselves with American intervention in behalf of the integrity of China, says that it is believed that France and England will abstain from so doing.

The opinion is expressed that the attitude of the United States is not determined so much by the Japanese advance, as by the fear that the present occupation of Manchuria may be used as a base for wider enterprises leading to the conversion of the province into a Japanese dependency.

It is further intimated that should the American note be substantially disregarded, it will aggravate, rather than remedy the situation.

MET

CORRECTED PAGE ONE  
TELEGRAM RECEIVED  
GRAY

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

Shanghai via N.R.

FROM

Dated January 25, 1932

Rec'd 4:30 a.m., 26th.

Secretary of State,

Washington

January 25, 2 p.m.

The following telegram has been sent to the Legation:

"January 25, 5 p.m. Referring to my telegram of  
January 23, Noon.

One. I learn that the demands presented Mayor by the  
Japanese Consul General in connection with assault on  
Japanese monks (my January 20, 5 p.m.) were:

- (1) - that Mayor tender an official apology;
- (2) - that the assailants be arrested and punished;
- (3) - that compensation and hospital bills be paid;
- (4) - that all anti-Japanese activities be suppressed and all anti-Japanese organizations dissolve at once.

In my conversation with Mayor on Saturday he stated that first three demands could probably be satisfactorily settled but that he could not suppress anti-Japanese activities and associations so long as they remain within the law but that he would suppress their illegal activities. I learn this morning from the Mayor's office that the demands are still under consideration. One of the Japanese monks assaulted has died.

F/DEW

793.94/3647

FILED  
FEB 1 1932

REP

2- from Shanghai via N. R.,  
Jan. 25, 2 p. m.

has died. (These monks, five in number, were assaulted January 18th by Chinese workers in Chinese territory near the settlement).

Two. Japanese squadron arrived January 23rd and landed approximately 500 marines in the settlement with equipment.

Three. The MINKUO POA, a Chinese paper published in the settlement, has been closely guarded by Municipal police for two days as a result of demands for apology, et cetera, made on paper by Japanese Navy in connection with articles published.

Four. Shanghai was very excited yesterday. An explosion occurred at 3:30 p. m. which broke many windows in various parts of the settlement and French concession 5 or 6 miles away. Two lighters carrying explosives from Pootung to Kiangnan arsenal blew up apparently accidentally because of faulty handling.

Five. CONFIDENTIAL. I learn from authoritative source that W. H. Donald, formerly adviser to Chang Hsueh Liang, has been employed by Mayor in connection with Sino-Japanese negotiations particularly to assist in drafting reply to Japanese demands.

Six.

893.00

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigson NARS, Date 12-18-75

REP

3- from Shanghai via N. R.,  
Jan. 25, 2 p. m.

Six. CONFIDENTIAL. Although the Japanese naval authorities have shown every desire to keep in touch with settlement authorities as per the agreement mentioned in my telegram January 23, noon, I believe they would not hesitate to disregard this agreement if it suited their purpose."

CUNNINGHAM

WSB

HPD

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

GRAY

RECEIVED TELEGRAM RECEIVED

JAN 26 1932

Shanghai via N.R.

DIVISION OF

Dated January 25, 1932

COMMUNICATIONS

FROM

Rec'd 4:30 a.m., 26th

Secretary of State,

Washington

January 25, 2 p.m.

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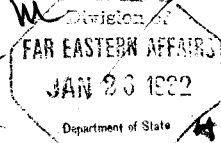
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he would suppress their illegal activities. I learn this  
morning from the Mayor's office that the demands are still  
under consideration. One of the Japanese monks assaulted  
has died.

F/DEW

793.94/3647

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE  
THE UNDER SECRETARY

WJ

Mr. Boal.

Does not Wilson give happen  
to be in Geneva during a Council  
meeting. If so he might be there then  
Thine although I think is an excellent  
report and reports are all in order

WJ



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

CONFIDENTIAL

DEPARTMENT OF STATE

THE SECRETARY

January 22, 1932.

MEMORANDUM OF CONVERSATION BETWEEN SECRETARY STIMSON  
AND THE ITALIAN AMBASSADOR, NOBILITATE GIACOMO DE MARTINO

Manchuria

The Italian Ambassador called and read to me the following cable, received from Signor Grandi last night:

"Signor Grandi would have willingly assisted himself in the démarche of the American Government towards the Governments of Tokyo and Nanking. However, owing to the fact that Italy is a member of the League of Nations it does not seem possible, out of consideration for the other States belonging to the League, to act in regard to the Manchurian problem separately from the action of the League; more so, inasmuch as Italy as a member of the League has already received the assurances requested by the American note. Nevertheless, in order that Italy's abstention may not give the impression that the Italian Government is not in full accord with the United States on the substance of the questions concerning the Far East and with the aid of continuing in the cooperation which has proved so far so profitable in other fields, Minister Grandi has requested the Japanese Ambassador in Rome to confirm him the statements

made

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WE

DEPARTMENT OF STATE  
JAN 23 1932  
WESTERN DIVISION OF  
AFFAIRS

SECRETARY OF STATE  
JAN 25 1932

DEPARTMENT OF STATE  
RECEIVED  
JAN 25 1932  
DIVISION OF  
COMMUNICATIONS

DEPARTMENT OF STATE  
JAN 27 1932  
Department of State

DEPARTMENT OF STATE

THE SECRETARY

- 2 -

made to us by his colleague at Geneva."

He then asked me whether there was any truth in the story published in the Associated Press to the effect that the United States would have no objection to a security pact, provided the United States was not asked to join. I replied that no such inquiry had been made of me at all, and therefore no answer had been made to any such question by the United States, and it was therefore unnecessary to comment upon the statement.

86-5-9/211  
He then informed me that he had arranged to have a man from the Italian Press Association stationed here in America, as the other press associations in Europe did, who would transmit information directly to Rome, instead of having it pass through Paris and London. This, he said, would result in much greater accuracy in communication and news.

HLS.

S:HLS:BMS

13  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

THE SECRETARY

DCR - Mr. Salmon.

This should be attached to  
file copy of the Secretary's aide -  
memoirs of conversation with the  
Italian Ambassador held on  
Jan. 22, 1932. Thanks.  
HSC.

1932-366

# UNITED STATES SOVIET GOVERNMENT

## OF THE WORLD

PAUL JONES

PITTSBURGH, PA.



UNEQUAL DISTRIBUTION OF WEALTH IS  
THE CAUSE OF THE UNITED STATES FAILURE.  
By - Paul Jones

JAN 22 1932

It may interest you to know that the Dawn of a New Nation is at birth by the present depression. The economic and financial structure of the United States, offers no scientific knowledge of investments for the Capitalists, who represent 3% of the population, and control 98% of the wealth of America. Predominating a population of 122,775,000. The remaining 2% of the wealth is for the 98% existence. This sounds ridiculous, but is the absolute truth.

The poor Citizen, who has been tricked by his blind patriotic enthusiasm, finds that he was only an instrument used as a legalized murderer at a wage of \$30.00 a month in the Army and Navy, believing that he was a good American Citizen protecting HIS Country, where he has no freedom whatsoever, bound by Imperialistic Government and Capitalistic Control. He can now join hands with the President of the United States as our greatest (make believe) beggar, and is compelled to join the bread lines and receive charity.

The Capitalist of the United States had Eleven Billion Dollars invested in the Great World War, to exterminate the German Government, which they successfully accomplished. Thinking it an open market for the sale of machinery and war implements, which has proven a financial failure, as it will be a loss to them. (The poor people never had Eleven Billion Dollars to lose).

American Bankers who threw billions into investments abroad and sold bonds here to cover up the deals, will not lose, as they have already passed this bad investment onto the 2% class, totaling Twenty Billion Dollars. The Brokers and Bankers have received their money and the poor Citizens are holding worthless bonds. President Hoover made this possible for his Capitalistic Clique. The German Statesmen know very well that they cannot drain Forty-one Billion Dollars out of Destitute Germany to pay American Capitalists, if they do, the German People will be compelled to bear their Governments mistake.

With the Tariff of the United States as a blockade to all Nations, they will be compelled to tax their products 25% on the American Dollar, which would necessitate them to do One Trillion, Twenty-five Billion Dollars worth of business outside of the United States, which is impossible, and after this is completed, they can say to themselves, (Now we can start to make our living). No! Mr. Hoover, tell the people of the United States the truth. They are holding worthless Government Bonds, and the American Legion can continue looking for their bonus, as the depression is over, and the panic is here.

These European losses will effect all banking and business institutions, etc., for a large amount of the banks are already closed and the rest will follow, but do not be alarmed, it will be for the betterment of civilization and bring about a more equal distribution of currency and limitation of wealth, so that no individual in the United States or organizations will control the currency.

The law to save the people of the United States from revolution and future panic is an extract from Article 4, U.S.S.A.

No Individual or Citizen, regardless who he or she may be can own or control over \$500,000.00 maximum. All Organizations, regardless what they are, shall be controlled by the U.S.S.A. Government.

All surplus cash totaling over \$500,000.00 - owned by the said Individual or Citizen shall be surrendered to the U.S.S.A. Treasury Department.

For violation of this law the sentence shall be life imprisonment and all property rights surrendered to the Treasury Department.

By this law the structure of the Nation depends, as it will eliminate monopoly, and the greed for gold will cease, and silver will be the interstate exchange, fifteen silver dollars for one gold dollar. Gold shall be used for Government transactions only, and incase a Foreign Government wishes to exchange for gold or silver, it will be on this same basis.

The interstate exchange for currency, held in the banks, controlled by the Soviet Banking System shall be prohibited to pay an interest for saving and checking accounts - the Depositors will be charged \$10.00 per month for safe keeping and handling (In this way it will eliminate hoarding of currency and stimulate buying in the United States Soviet or its dominions).

The interstate currency is exchangeable in all Foreign Countries associated with this Soviet Government Plan, having the same valuation in all Nations.

The issue of this currency shall be issued by the Soviet Treasury Department, paying no interest for circulation, and shall be redeemed in silver or silver banknotes by the said Soviet Government as taxes on homes, vehicles, etc,

No outside market is needed, as the interstate exchange and handling of all transactions will keep the entire population employed continuously. The doors will be open for free immigration, making America Soviet Government the greatest and most powerful Nation in the world, with an increasing population of approximately Two Hundred Million European Citizens, who will migrate here, and in course of time other Nations will wish to immerge with this great international plan that can be worked universally, as one great Nation - for example: Germany, Australia, Italy, China, Japan, Great Britian, France, etc., as one United Soviet Government of the world. When this is accomplished, that all Nations have combined into one unit, then this is the time for the League of Nations Council to ask for disarmament, and peace is bound to follow universally. Until this is fulfilled, universal peace is folly.

The program for the United States Soviet Government of America is Six Superior Highways across the United States - Two Canals, one crossing the Northern and one the Southern part of the Country - One Hundred Million New Fireproof Homes, and Electric Lighting System for all Highways, consisting of a Three Hundred Billion Dollar Program as Plan 8, U.S.S.A.

The minimum wages for labor shall be \$20.00 a day, and skilled labor paid more in proportion, such as Bricklayers, Carpenters, Electricians, etc., working 6 hours a day. The Army and Navy Privates shall receive not less than \$25.00 a day for their services, as they will be used in all branches of the Government. (These men sacrifice their lives for the protection of the Nation, and are entitled to vote).

YOURS FOR PEACE, FREEDOM AND UNIVERSAL CREDIT  
----- FOR THE WORLD -----

For more information you should read the complete plan, to protect your future welfare and existence.



I AM GLAD TO MEET YOU

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Burtch NARS, Date 12-18-75

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1135

DEPARTMENT OF STATE -  
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MAY 24 1932  
DIVISION OF  
COMMUNICATIONS AND RECORDS

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE  
DIVISION OF FAR EASTERN AFFAIRS

MANCHURIA SITUATION

Next Meeting of the Council of the League

The next meeting of the Council of the League is scheduled to open on January 25 at Geneva.

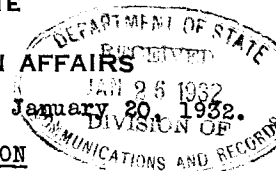
The Chinese Government has sent as its representative there, the Chinese Minister to the United States. Reports from Nanking indicate that the Chinese Government has in contemplation the possibility of severing diplomatic relations with Japan and calling on the Council to act under Article 16 of the Covenant; also, of asking that a conference be held under the Nine Power Treaty.

It may be assumed as likely that the Council will have to take further cognizance of and action with regard to the Manchuria situation.

In view of this, it is believed that we should give thought to the question of our liaison with the Council. It is believed that at the outset we might instruct Consul Gilbert to function for us in a liaison capacity. It may be desired, however, to send Mr. Wilson from Berne.

Instructions are requested.

SKH/REK



F/DEW

793.94/3649

JAN 26 1932

RECEIVED

SECRET

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE  
DIVISION OF WESTERN EUROPEAN AFFAIRS

MEMORANDUM

THE UNDER SECRETARY  
JAN 22 1932  
DEPARTMENT OF STATE

DEPARTMENT OF STATE  
JAN 26 1932  
DIVISION OF  
COMMUNICATIONS AND RECORDS  
JANUARY 22, 1932.

Mr. Castle:

It would be perfectly possible for Wilson to be present at Geneva during the forthcoming Council meeting, if it is desired that he be there in connection with the Manchurian question. He has done so in the case of past Council sessions in connection with disarmament without causing any undue newspaper publicity. Moreover, he was already authorized in our telegram No. 14 of January 18 to Berne to go to Geneva if he felt he could obtain useful information on disarmament during the Council session; however, his suggestion that he make it clear that he was interested in disarmament questions only, was approved. In a more recent telegram (No. 16 of January 21) however, Wilson reports that he has abandoned the idea of going to Geneva for the purpose of the Council session and new instructions would thus be necessary.

On the other hand, as you say, Mr. Gilbert is there and has done excellent reporting, and there would seem to be no reason why he could not take care of the matter

as

F/DEW 793.94/3650

FILED

JAN 26 1932

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

- 2 -

as he did during the Council session last October.  
Mr. Wilson will in any case be in Geneva within a week  
of the opening of the Council session, since the Dis-  
armament Conference opens on February 2 and he will  
undoubtedly wish to arrive a day or two ahead of that  
date. We might possibly ask Wilson to have Gilbert  
let him know if he should find Wilson's presence de-  
sirable on account of some development in the Council.  
No particular publicity <sup>need</sup> ~~would~~ be caused by this since  
it would merely appear as a somewhat early arrival for  
the Disarmament Conference.

*He must be  
saying*

*PMB*

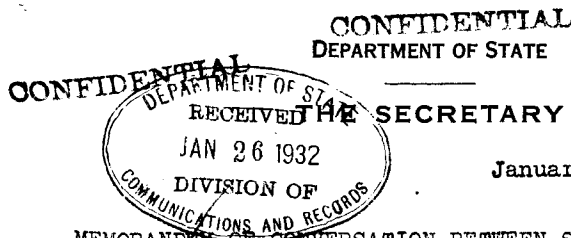
*All instructions have been sent - B both I think  
on should leave is alone.*

*WJ*

*WJ*  
WE:NHF:EFB



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75



January 25, 1932.

MEMORANDUM OF CONVERSATION BETWEEN SECRETARY STIMSON AND  
THE BRITISH AMBASSADOR, SIR RONALD LINDSAY, AT WOODLEY,  
AT 2:15 P.M.

I told the Ambassador that the situation which had arisen at Shanghai was giving me serious concern for potentialities that might come out of it. The main objective of the Japanese was evidently to kill the boycott of the Chinese. In their note in the early part of October they had protested against the boycott as an act of war. That had fallen flat. Now they were trying to attack it by action based upon the alleged violence to their nationals and their property which was involved in the boycott. I pointed out that instructions to the Japanese Admiral, however, had been to destroy the boycott. I thought that this presented a situation which was of both immediate and long-distance concern. The immediate concern was that it was likely to lead to further and further violence in the Yangtze Valley and thus to an ultimate state of war, out of which there would be very likely to grow a Japanese blockade of all Chinese ports, including the Yangtze, which would directly and most seriously

F/DEW

793.94/3651

793.94/3651  
Confidential File.

DEPARTMENT OF STATE

THE SECRETARY

- 2 -

seriously affect British and American trade with China. I reminded the Ambassador of the issue of policy which had existed in China; Chiang Kai-Shek, the former President, had throughout been in favor of avoiding war with Japan and trusting to the public opinion of the world and the influence of the other powers to protect China. On the other hand, the resentment which had been caused by the failure of the powers to protect China had tended to throw power into the hands of those who were in favor of declaring war and taking more violent measures and had ultimately, for awhile at least, thrown Chiang Kai-Shek out of power. I pointed out that if the opposition policy of declaring war should be successful there would undoubtedly be a blockade at once by Japan with the attendant loss to us. Therefore, it was important to cut down the possibilities of violence and, so far as was proper, prevent any unlawful action by Japan against the boycott.

In the long-distance view I pointed out that it was probably much for the benefit of the world that China should not be deprived of her only weapon against an enemy - the boycott - and, if she were deprived of it, it would

tend

DEPARTMENT OF STATE

THE SECRETARY

- 3 -

613.401  
tend to destroy the balance of power. I pointed out that if China's only present weapon were taken away from her she would probably have to do one of two things: either first, arm herself and become a military nation or she would be thrown into total subservience to a more military nation like Japan. Either of these results would be extremely injurious to the peace of the world and to the freedom of commerce which Britain and we had been striving for in the Far East. They would tend directly to destroy thus the work which we had been trying to do in the last thirty years in protecting the integrity of China and the Open Door.

893.102S  
Turning to the measures to be taken, the first thing I was thinking of doing, and which I shall probably do myself anyhow, was to call Japan's attention to the particular situation which existed in the international settlement and to show her that we intended to back up the efforts of the local authorities there who were seeking to keep Japan's landing forces out of that settlement. I pointed out that the international Doctrine which permits a nation whose nationals are imperiled to land in a defendant country was dependent upon the failure of the other nation where they

DEPARTMENT OF STATE

THE SECRETARY

- 4 -

they were settled to afford proper police protection, et cetera. This was the excuse which Japan had made in Manchuria. In the international settlement at Shanghai, however, there was a perfectly efficient police force under white officers and largely consisting of white enlisted men. It was nonsense to say that this force could not protect Japanese life and property in the international settlement and its presence removed the last excuse for her intervention by landing forces.

As to further steps I said I was thinking aloud and desired to get the reaction of Great Britain. I felt I could do this because our interests were , so far as I could see, precisely parallel and similar. I said I should hesitate to act unless Great Britain approved and was planning similar action. I told Sir Ronald that our Consuls up the River were calling for additional war vessels because they anticipated the possibility that we should have to rescue and remove our nationals if this Japanese pressure went on.

The Ambassador asked me whether I anticipated that the effect of further Japanese action up the River would be to provoke general anti-foreign action by the Chinese.

I

DEPARTMENT OF STATE

THE SECRETARY

- 5 -

I said I thought it would; that the last time we had been obliged to lay down a barrage at Nanking the attacks on the foreigners had come not from any hostility to us but from the civil war of China itself and it would be even more likely to produce general danger to foreigners if the Chinese were fighting a foreign foe like Japan.

I told him that I did not intend any threat against Japan; our Asiatic squadron was not large enough to constitute a threat but I thought it might have a beneficial effect to send that squadron, in whole or in part, from Manila to Shanghai provided the British would do the same with some of their vessels. I told him we had only one cruiser and a couple of squadrons of destroyers and of submarines so they could be no menace to Japan, but I thought that their presence in Shanghai would tend, on the one hand, to convince Japan that we were seriously interested in the threat to our trade and our people arising out of the possibility of Japanese action, and also it would have a very wholesome influence on the Chinese themselves in proving that Chiang Kai-Shek was right and that the powers were interested in China and what happened to her. At present the Chinese are feeling very deserted and helpless.

I

DEPARTMENT OF STATE

THE SECRETARY

- 6 -

I thought that the presence of foreign ships would tend to strengthen the hands of Chiang Kai-Shek as against his foolish opponents who were trying to declare war because the foreign nations had deserted them. I summed up by telling him that I thought our main objective should be to try to prevent a sequence of steps by the Japanese which would tend to lead to war with China and a resultant blockade injurious to our neutral trade; that Japan had got hold of a bear by the tail and couldn't let go and was being lead along from step to step; that the only way to prevent her from taking these steps was to show as stoutly as we could that we were interested in it and it was leading her into a situation which we regarded as very serious to our interests.

HLS.

S HLS:OBS

114  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustig NARS, Date 12-18-75

TELEGRAM RECEIVED

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

FROM  
MET. RECEIVED CORRECTED COPY -

JAN 27 1932  
DIVISION OF

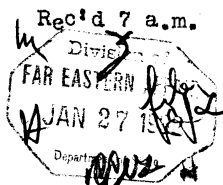
GRAY

Shanghai via N.R.

Dated January 27, 1932

Secretary of State,  
Washington

January 27, 6p.m.



793.94/3652

A Japanese member of the Municipal Council who usually acts as liaison officer between the Japanese Naval Attache and the Council has requested that a state of emergency declaration should be issued today. The Secretary General promised to call a meeting of the Municipal Council for the consideration of the request today. Repeated to the Legation.

CUNNINGHAM

WSB-HPD

FEB 4 1932

FILED

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

TELEGRAM RECEIVED

MET

GRAY

FROM  
RECEIVED

Shanghai via N.R.

JAN 27 1932

Dated January 27, 1932

DIVISION OF

Rec'd 7 a.m.

Secretary of State,

Washington

January 27, 6 p.m.

A Japanese member of the Municipal Council who usually acts as liaison officer between the Japanese Naval Attache and the Council <sup>has</sup> ~~have~~ requested that a state of emergency <sup>declaration</sup> ~~in the (\*)~~ should be issued today. The Secretary General promised to call a meeting of the Municipal Council for the consideration of the request today. Repeated to the Legation.

CUNNINGHAM

WSB-HPD

(\*) ~~apparent omission.~~

See corrected copy  
JAN 27/32  
H

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FILED

JAN 28 1932

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustig NARS, Date 12-18-75

TELEGRAM RECEIVED

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

MET

RECEIVED

FROM

GRAY

JAN 27 1932

DIVISION OF

Tokio

Dated January 27, 1932

Rec'd 8.30 a.m.

Secretary of State,

Washington

25, January 27, 5 p.m.

Embassy's 21, January 22, 6 p.m.

Japanese navy has sent one destroyer squadron consisting of cruiser and twelve destroyers to Shanghai from Sasebo in addition to those reported. It will carry a landing force of 400 to 500 men and should arrive 28th.

The Government here seems to have no definite plan of action beyond meeting the situation as it develops. They hope to keep it on the basis of a local affair. They regard the situation with some apprehension as they feel that the anti-Japanese agitation has at least the tacit approval of the local authorities in the Shanghai region.

Repeated to Peiping.

FORBES

RR-WSB

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FILED

FEB 4 1932

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893.102 S  
894.3393

FAR EASTERN  
JAN 27 1932  
Department of State

TELEGRAM RECEIVED

REP

FROM

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

SHANCHAI

Dated January 27, 1932

Rec'd 6:28 a. m.

Secretary of State,  
Washington.

RECEIVED  
JAN 27 1932  
DIVISION OF  
COMMUNICATIONS

January 27, 11 a. m.

CONFIDENTIAL.

Reference to this Consulate General's telegram of

January 25, 1 p. m., and previous. Japanese Consul General, Murai, requested an interview with me. During the interview he stated that having received no reply to his demands he called on the Mayor of Greater Shanghai on the 25th. The Mayor requested further delay until the 13th before giving a definite answer. Murai stated that the Mayor was earnestly trying to reach a solution and that the difficulty arose from the fourth demand relative to suppression of anti-Japanese organizations which the Japanese regard as illegal in that their constitutions and by-laws favor seizure and confiscation of Japanese goods. Murai was of the opinion that the associations could be readily suppressed and that considerable headway had already been made in that direction by the Chinese authorities. I believe that he is counting on the Mayor

F/DEW

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FEB 4 1932

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note  
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Division of  
FAR EASTERN AFFAIRS  
JAN 27 1932  
Department of State  
RAVE

REP

2- from Shanghai, Jan.27,11 a.m.

Mayor being able to present the basis of an acceptable compromise leading to an amicable solution of the situation. Murai further stated that any action on the part of the Japanese military would be in the line of suppression of anti-Japanese associations and the recovery of confiscated goods. He pointed out that inasmuch as the Chinese were erecting barricades in and moving troops to strategic positions every day's delay increased the effectiveness of the Chinese military. He promised to inform me and the Municipal Council of the Chinese reply and to give us advance notice of any military action to be taken. He further stated that no action will be taken until forty hours after the delivery of an ultimatum.

Repeated to the Legation.

CUNNINGHAM

WSB

HPD

## TELEGRAM RECEIVED

REP

CORRECTED COPY  
FROM

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

Geneva

Dated January 26, 1932

Rec'd 11:51 p. m.

Secretary of State,  
Washington.

35, January 26, 4 p.m.

One. I learn the following from a thoroughly reliable source.

(a). The Chinese are considering, in view of the situation as it is developing, a change in their tactics in Geneva. They feel that their acquiescence up to this point in confining their action to an invocation of Article eleven of the Covenant has not brought about the results which they desire and that they should proceed to more definite invocation of other rights which they enjoy both under the Covenant and under treaty provisions.

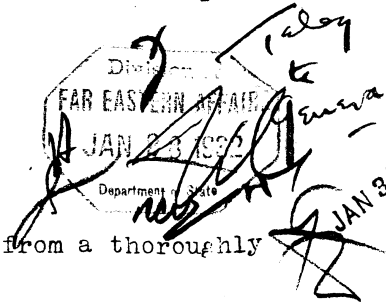
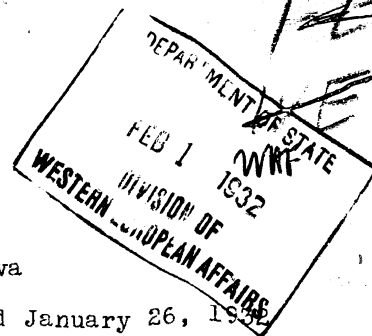
(b). Yen is now contemplating the possibility of,

One, raising the question in the Council as to whether Articles thirteen and sixteen of the Covenant should not be considered.

Two, declaring that a violation of Article twelve of the Covenant has occurred and,

Three, definitely invoking Articles ten and thirteen.

(c). As an alternative to the foregoing or possibly in addition



793.94/3655

FEB 4 1932

FILED

REP

2- #35, from Geneva, Jan. 26, 4 p.m.

in addition thereto China is also considering what steps she might best pursue to implement the Nine Power Treaty. A choice of procedures in this respect is being studied. Although she could invoke the Treaty herself she feels that to be the least hopeful of possible courses and only to be resorted to if other means fail. She hesitates to disturb her position vis a vis the League and thus to alienate League support and to lose any advantages which accrue to her under the provisions of the League Covenant and possible League action. The Chinese Delegation is considering the possibility of bringing about an invocation of the Nine Power Treaty through action of the signatories of the Treaty who are at present represented in Geneva. As a corollary of this they are also considering bringing forward a discussion of the Nine Power Treaty in the Council as a prelude to its invocation here on the part of individual signatories. This latter plan involves some such course as was followed here in Geneva in the invocation of the Pact of Paris. The idea underlying these considerations is to knit action under the Nine Power Treaty, morally at least, with League action. In connection with the possibility of China succeeding in having this course followed the question of double competence at once arises. China is hoping however that some formula may be worked out by

REP

3- #35, from Geneva, Jan. 26, 4p.m.

out by which the League would remain seized of the Manchurian question while action at the same time could go forward under the Nine Power Treaty and that action under the two "competences" could be coordinated without prejudice to either.

Two. Yen is apparently awaiting instructions from Peking which will guide his action regarding the foregoing.

Three. The implications of this are obvious and great apprehension is felt here respecting possible results should China follow these courses.

Four. The question of the position of the United States in respect to a possible invocation of the Nine Power Treaty naturally at once arises in any such consideration. This question arises in two forms:

One, whether the United States desires the invocation of the Treaty under any circumstances and if so what procedure the United States would favor.

Two, should the United States be faced by a definite decision on the part of China to bring about an invocation of the Treaty would the American Government care to make suggestions respecting procedure. The general attitude of China in these respects appears to be that within the limits of reserving freedom of action for what she regards as her

REP

4- #35, from Geneva, Jan. 26, 4 p.m.

as her essential interests she is anxious to conform as far as possible to American policy.

Five. Should developments take place in Geneva along the lines of any of the points raised above I would appreciate instructions as to any position which it may be desired that I take particularly in confidential conversations with a view if it be so desired to shape events if possible in conformity with American policy.

Six. I feel that I must add that the situation here is subject to very rapid changes. It is also difficult in reporting on developments to determine whether the position taken or the statements made by the various governments, particularly those respecting their intentions, really reflect such intentions or are merely to be regarded as temporary elements in their strategy in the confidential negotiations which are constantly taking place.

GILBERT

HPD

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

# TELEGRAM RECEIVED

MET

This telegram must be closely paraphrased before being communicated to anyone. **FROM**

Geneva

Dated January 26, 1932

Rec'd 11:51 p.m.

Secretary of State,

Washington

35, January 26, 4 p.m.

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(b). Yen is now contemplating the possibility of,

One, raising the question in the Council as to whether Articles thirteen and sixteen of the Covenant should not be (\*)

Two, declaring that a violation of Article twelve of the Covenant has occurred and,

Three, definitely invoking Articles ten and thirteen.

(c). As an alternative to the foregoing or possibly in addition thereto China is also considering what steps

she



MET

2-#35 from Geneva, January 26,  
4 p.m.

she might best pursue to (?) the Nine Power Treaty. A choice of procedures in this respect is being studied. Although she could invoke the Treaty herself she feels that to be the least hopeful of possible courses and only to be resorted to if other means fail. She hesitates to disturb her position vis a vis the League and thus to alienate League support and to lose any advantages which accrue to her under the provisions of the League Covenant and possible League action. The Chinese Delegation is considering the possibility of bringing about an invocation of the Nine Power Treaty through action of the signatories of the Treaty who are at present represented in Geneva.. As a corollary of this they are also considering bringing forward a discussion of the Nine Power Treaty in the Council as a prelude to its invocation here on the part of individual signatories. This latter plan involves some such course as was followed here in Geneva in the invocation of the Pact of Paris. The idea underlying these considerations is to knit action under the Nine Power Treaty, morally at least, with League action. In connection with the possibility of China succeeding in having this course followed

MET

3-#35 from Geneva, January 26,  
4 p.m.

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Two. Yen is apparently awaiting instructions from Nanking which will guide his action regarding the foregoing.

Three. The implications of this will appeal (?) and greatly apprehension is felt here respecting possible results should China follow these courses.

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4-#35 from Geneva, January 26,  
4 p.m.

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Five. Should developments take place in Geneva along the lines of any of the points raised above I would appreciate instructions as to any position which it may be desired that I take particularly in confidential conversations with a view if it be so desired to shape events if possible in conformity with American policy.

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HPD

GILBERT

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect  
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OR  
Charge to  
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TELEGRAM SENT

1-138

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Department of State

Washington,

January 27, 1932.

AMERICAN CONSUL,

GENEVA (Switzerland)

JAN 27 32

CONFIDENTIAL.

29 Your 35, January 26, 4 p.m., paragraphs numbered four and five.

For your confidential information and guidance.

The Department, on January 8, instructed the American Consul at Nanking to inform the Foreign Minister orally that QUOTE without making any commitment, either affirmative or negative, with regard to its future course of action, which course will depend on developments, the Department perceives at present no repeat no immediate occasion for calling a conference and believes that it would not repeat not be opportune under existing circumstances to propose that step UNQUOTE. The Chinese Minister at Washington (Dr. W. W. Yen) was also orally informed in the same sense on the same day.

The Department is still of that view.

You should not repeat not initiate any discussion of that question and if on any occasion you are called on to answer an inquiry thereon, any statement which you may

Enciphered by .....

Sent by operator ..... M., ..... 19.....

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1928 1-138

793.94/3655

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect  
Charge Department  
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## TELEGRAM SENT

Department of State

1-138

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Washington,

- 2 -

make should conform closely to the phraseology of the  
above.

*Stinson*  
*Wdy*

ad. 20

SKH  
FE:RSM/ZMF

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_, \_\_\_\_\_

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1972 1-138

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
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OR

Charge to  
\$

TELEGRAM SENT

1-138

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

This cable was sent in confidential code  
It should be carefully passed before  
being communicated to anyone

Department of State

Washington,

January 30, 1932.

AMERICAN CONSUL,

JAN 30 32

GENEVA (Switzerland).

32

CONFIDENTIAL

793.94/3655 Your 35, January 26, 4 p. m., paragraphs numbered one  
(c) and four and five and your 49, January 28, 7 p. m.,  
section one, concluding paragraphs.

Supplementing instructions in Department's 29, January 27, 6 p. m.

For your guidance, in connection with inquiries as to  
the attitude of the American Government on the subject of  
possible invoking of the Nine Power Treaty, you should not  
repeat not initiate any discussion of that question, but in  
case you should be called upon to answer a responsible inquiry,  
you may reply in confidence that your Government would  
without doubt view with satisfaction a declaration by the  
Council, or by Governments of any of the States represented  
thereon which are also parties to the Nine Power Treaty, in  
derinite support of the position taken in the American  
Government's identic notes of January 7.

FE:SKH:REK

FE

Enciphered by

Sent by operator M., 19

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1929 1-138

793.94/3655

Stinson  
WHL

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TELEGRAM RECEIVED

cib

FROM

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

Geneva

Dated January 26, 1932

Recd 8:45 p.m.

Secretary of State  
Washington.

RECEIVED  
JAN 27 1932  
DIVISION OF  
COMMUNICATIONS AND RECORDS

Div. of  
FAR EAST  
JAN 27 1932  
J. H. P.  
J. H. P.

36, January 26, 5 p.m.

CONFIDENTIAL FOR THE SECRETARY.

The source of Consulate's 35, January 26, 4 p.m.

is chiefly Olds who as the Department is doubtless aware  
is acting as adviser to the Chinese delegation. I learn  
from copies of telegraphic exchanges between General Dawes  
and the Department which have been made available to me  
that Olds was in close contact with General Dawes concerning  
the Manchurian situation while the Council was meeting in  
Paris. Olds affirms his readiness to continue to discuss  
with me the developments as they arise but I feel that you  
should be cognizant of this relationship.

GILBERT

FW

FEB 1 1932

FILED

F/DEW 793.94/3656

793.94  
note

793.94/2

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

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Charge Department  
OR  
Charge to  
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TELEGRAM SENT

1-138

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Department of State

Washington,

January 27, 1932.

JAN 27 32

5/m

793.94/3656  
AMERICAN CONSUL

GENEVA (Switzerland).

28 CONFIDENTIAL.

Your No. 36, January 26, 5 p.m.

Department has entire confidence in the discretion  
and integrity of Olds and sees no objection to your  
maintaining discreet friendly contact with him, care-  
fully safeguarding, however, your own independent and  
impartial position.

793.94/3656

*Trinson*  
*Wm*  
*/*

JAN 26

FE:SKH/ZMF

RAM  
FE

Enciphered by \_\_\_\_\_

Sent by operator M., 1932

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1929 1-138



TELEGRAM RECEIVED

REP

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

FROM

NANKING

Dated January 27, 1932

Rec'd 10 a. m.

Secretary of State,  
Washington.

RECEIVED  
JAN 27 1932  
DIVISION OF  
STATE

16, January 27, 5 p. m. (GRAY).

With reference to my telegram No. 14, January 24, 4 p. m., the following telegram has been sent to the Legation:  
January 27, 4 p. m. My January 24, 3 p. m., Paragraph Three.

One. I called on Wang Ching-Wei, January 27, 9 a. m. He told me that a successor to Sun Fo as President of the Executive Yuan would be elected in a day or two and that it was hoped that Sun Fo would then rejoin the Government in another capacity. (END GRAY).

Two. Wang said that Japan had violated the Nine Power Treaty, the Covenant of the League, and the Treaty for the Renunciation of War, as well as the sovereignty and territorial integrity China, and the treaty rights and the interests of foreign nations in China. He said that China had sought to obtain assistance from each of the international covenants listed above but without practical result. He said Eugene Chen in advocating severing of relations with Japan had intended to bring about situation which would compel foreign nations

Division of  
FAR EASTERN AFFAIRS  
JAN 27 1932  
Department of State

Division of  
FAR EASTERN AFFAIRS  
JAN 27 1932  
Department of State

F/DEW

793.94/3667

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793.94  
note

593.00

REP

2- #16, from Nanking, Jan.27, 5 p.m.

nations to intervene but he, Wang, thought that severing of relations was entirely inadequate in face of Japan's actions as described. Wang strongly urged that foreign powers already have ample ground for intervening on behalf of their own interests. He especially urged such intervention in the crisis which has developed at Shanghai. In discussing the recent inquiry made of the Department of State by Eugene Chen in regard to advisability of convoking conference of the Nine Powers, Wang said that since Department believes it would not be opportune to summon a conference, he was anxious to know what suggestion the American Government could make in regard to a solution of the controversy. I replied I had no instructions nor authority to say anything on this point but I believed that if a friendly settlement could be reached through negotiations the American Government would be gratified. Wang said Japan by military activities and by insistence on so-called five principles had made it impossible for China to enter into direct negotiations but China would be willing negotiate if foreign powers would assist in the negotiations or have observers present thereat. He indicated the greatest anxiety to learn whether any such plan could be brought about and he argued earnestly for mediation by the powers

REP

3- #16, from Nanking, Jan. 27, 5 p.m.

powers on grounds of morality and to protect their just rights. I was careful, of course, to avoid any commitment even by remote implication.

Three. I also had a conversation with Chiang Kai Shek. When I asked his opinion on outstanding issues he was extremely reticent and said his recently published statement gives his attitude. He insistently endeavored to ascertain what course the American Government thought China should pursue toward Japan. I replied that, of course, I could not answer that question but would report it to the Department for any reply it might care to give. He seemed to think this would produce no results and asked what my personal opinion was. I returned an evasive reply.

FECK

RR

WSB

1 164

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

<sup>th</sup>  
This telegram must be ~~closely~~  
paraphrased before being  
communicated to anyone.

JAN 27 1932  
DIVISION OF

FROM

PEIPING

Dated Jan. 27, 1932

Rec'd. 9.05 am  
JAN 28 1932

79340  
SECRETARY OF STATE

WASHINGTON

131, January 27, 3 pm

CONFIDENTIAL FOR THE SECRETARY

One. Department's January 25, 6 pm to Shanghai.

With reference to paragraph two, Legation believes consideration should be given to the fact that it would be extremely embarrassing for us if the Japanese should push action in Shanghai to point where insistence upon rights and responsibilities of Consular Body and Municipal Council at Shanghai in the field of administration might involve American volunteers firing on Chinese for protection of Japanese or in furtherance of Japanese policy or firing on Japanese in furtherance of Chinese interests. In view of the fact that we have made it clear on numerous occasions that we do not propose to use force to maintain administrative integrity of the International Settlement of Shanghai and in view of the progress made in the negotiations between British and Chinese and in prospect between ourselves and Chinese for possible rendition of International Settlement, it seems to me that we must act carefully in the present situation lest we find ourselves

79340  
F/LS  
793.94/3658  
FILED  
JAN 28 1932

rh #2 of No. 131 from Peiping

ourselves fighting in Shanghai for the preservation of the integrity of the International Settlement in a quarrel that is distinctly one between Japan and China and which should not involve us. I feel that the powers should call upon Japan to control her citizens within the International Settlement and thus fulfill her obligations there.

Two. The situation described in Shanghai's January 22, 5 pm, to the Department, indicates that chairman of the Municipal Council was endeavoring to get Japanese to control their own citizens in Shanghai. Cunningham was right in referring him to the Japanese Consul General rather than to Admiral but it seems to me that when he suggests that assistance of all powers should be called upon when volunteers and police could no longer control the situation he is forgetting that the primary question involved was control of Japanese, a question which was first the responsibility of the Japanese and not of the Municipal Council.

Three. In Department's telegram to the Legation No. 47, February 5, 6 pm, 1930, paragraph eight, we insist that in the event of failure on the part of the Municipal administration at Shanghai or of any other authority who may have the direction of measures for the maintenance of order to give protection to American nationals or American property, armed forces of the United States may be rightfully used on the responsibility of their own government and without

rh #3 of No. 131 from Peiping

and without request or authorization of any other government or organization. Do we wish to deny the Japanese this right in Shanghai?

Four. In brief situation presented by Shanghai's telegram appears to be this: Chairman Municipal Council feared disorder as a result of mass meeting of Japanese held within settlement limits. Chairman informed Senior Consul he was requesting Japanese Admiral to keep order at this meeting. Senior Consul told Chairman that Japanese Consul General was right person to appeal to and that if police and volunteers could not handle situation then right person to appeal to was Senior Consul, who would call upon all powers. It seems to me that Consul General was right about referring to Japanese Consul General, but that in latter advice he was wrong, in that the matter was primarily a question of control of Japanese within the settlement.

JOHNSON

WSB - RR

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

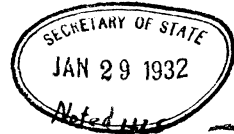
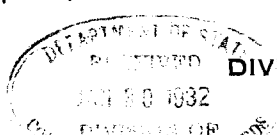
January 27, 1932.

Subject: Shanghai Situation.

Reference: Legation's Telegram No. 131,  
January 27, 3 p.m., and Jan.  
27, 8 p.m.

The Minister fears that it may become embarrassing for us if the Japanese push action in Shanghai to a point where insistence upon rights and responsibilities of the Municipal Council at Shanghai might involve American volunteers firing upon Chinese for the protection of Japanese or in furtherance of Japanese policy or firing upon Japanese in furtherance of Chinese interests. It is true that it may become necessary for volunteers, as they have done in the past, along with other Shanghai volunteer corps, assisting the Municipal Council in maintaining law and order at Shanghai, to fire upon Chinese. In a remote contingency they may even be called upon to fire upon Japanese and upon other foreign nationals who may within the Settlement area be engaged in rioting or other lawless pursuits. If every power is to take the view that its nationals in Shanghai are not to be permitted to carry out their part in assisting the Municipal Council to maintain law and order, then there can be no law and order in Shanghai and the Japanese or someone else will be compelled to take the responsibility of maintaining

law



793.94/3658

FILED

- 2 -

law and order.

Minister Johnson states that we have on a number of occasions made it clear that we do not propose to use our armed forces to maintain the administrative integrity of the International Settlement at Shanghai. In this statement, as far as my knowledge goes, he is partially correct if he refers to that period in 1927 when the forces of the National Government were on the verge of attacking Shanghai. We did at that time refuse to give our consent to joint international action in preserving the integrity of <sup>the International Settlement</sup> ~~Shanghai~~ and confined ourselves to a role of preparing for possible evacuation of American nationals. However true this may be, the situation at present is different. At that time the forces attempting to take Shanghai were Chinese, and China in the last analysis is the sovereign of the soil of Shanghai. In the present instance if the Japanese do interfere with the administrative integrity of the International Settlement of Shanghai, they have no such justification.

Minister Johnson states that, as negotiations are in progress between ourselves and the Chinese and between the British and the Chinese, for the possible rendition of the International Settlement, we must act carefully lest we find ourselves fighting in Shanghai for the preservation of the integrity of that area in a quarrel that



- 3 -

that is distinctly one between Japan and China. It is believed that Minister Johnson is referring to the exchange of notes in the Sino-British draft treaty of May 6, 1931, which provides for negotiations in regard to Shanghai over a period of ten years subsequent to the signing of that treaty if and when it is signed. The Department has also drafted a somewhat similar provision here but we have never discussed that draft with the Chinese. Granted however that Minister Johnson's statement is entirely correct, his argument would not bear on the present situation as tentative negotiations do not change the foundations upon which the International Settlement rests.

With regard to Minister Johnson's statement that Japan should control her citizens within the Settlement and thus fulfill her obligations there, he is correct. However, although extraterritorial nationals in Shanghai are under control of their own authorities, it is a matter of almost daily occurrence that, whenever extraterritorial nationals infringe the peace and order of the Settlement, they are taken into custody by the Settlement authorities and handed over to their own authorities. The Settlement authorities, therefore, also have responsibility in this regard. In grave situations, this responsibility might readily become merged into the responsibility of the power whose nationals are disturbing the peace and order

- 4 -

order of the Settlement.

In paragraph three of his telegram, Minister Johnson refers to the Department's telegram to the Legation No. 47, February 5, 1930, 6 p.m., paragraph eight, in which it is <sup>(see insert)</sup> 8

Paragraph eight referred to reads as follows:

"at any time, in the event of failure on the part of the Municipal Administration or of any other authority which may have the direction of measures for the maintenance of order to give due protection to American nationals or American property, the armed forces of the United States may rightfully, on the responsibility of their own Government, through the proper officers, and without request or authorization by any other government or administration, address themselves to the particular problem of protecting American nationals and American property, while at the same time rendering or continuing to render such assistance as may be practicable in connection with any general plan which may have been adopted for the maintenance of law and order;"

Council and secondly upon the Consular Body and the armed forces of the powers represented at Shanghai. When these forces fail or are unable to carry out their responsibility, Japan or any other power may be justified in taking measures, but not until then.

One weak point in our telegram to the Legation (which I mentioned when that telegram was under discussion) and one which Minister Johnson does not touch upon is that if the American Government wishes to insist upon the international status of Shanghai for the purpose of preventing Japanese aggression therein it must also

insist

- 4 -

order of the Settlement.

In paragraph three of his telegram, Minister Johnson refers to the Department's telegram to the Legation No. 47, February 5, 1930, 6 p.m., paragraph eight, <sup>(see insert)</sup> in which it is stated that, in the event of the failure of the Municipal administration at Shanghai or of any other authority who may have the direction of measures for the maintenance of order to give protection to American nationals or American property, we reserved to ourselves the right to use our own armed forces in that direction. He inquires if we wish to deny Japan that right. Our telegram on which he comments did not deny to Japan this right.

What we were insisting upon was that the primary responsibility of the maintenance of law and order in the <sup>International Settlement</sup> at Shanghai fell first upon the shoulders of the Municipal Council and secondly upon the Consular Body and the armed forces of the powers represented at Shanghai. When these forces fail or are unable to carry out their responsibility, Japan or any other power may be justified in taking measures, but not until then.

One weak point in our telegram to the Legation (which I mentioned when that telegram was under discussion) and one which Minister Johnson does not touch upon is that if the American Government wishes to insist upon the international status of Shanghai for the purpose of preventing Japanese aggression therein it must also

insist

- 5 -

insist that the Chinese population residing in that area refrain from anti-foreign activities of any kind, whether directed against Japan or any other foreign power. The authorities of the Settlement cannot afford to allow the Chinese population to abuse the hospitality of the Settlement for the purpose of unfriendly acts toward any of the powers which participate in the administration of that area. This was a long-established policy of the Settlement and it was only since the establishment of the National Government of the Republic of China at Nanking in 1927 that the Chinese authorities have attempted to maintain bureaus in the Settlement for anti-foreign agitation. Now would be an excellent opportunity to close these bureaus and to make Shanghai the international oasis which it should be.

*Which is  
what  
the  
Ministry of  
Commerce  
seems now  
to be  
doing*

As Minister Johnson has not discussed this question with his British colleague as he was directed to do, the Department must now, in view of his comments, either (1) instruct him not to do so, or (2) repeat its instruction. If it is decided to repeat its instruction that he consult with the British Minister, the Department should inform him along the lines indicated above and state emphatically (1) that the American Government is not prepared to admit the right of Japan or any other power to interfere with the administrative integrity

of

- 6 -

of Shanghai until the authorities of that area have signified their inability or unwillingness to afford protection and (2) that the American Government desires its consular representative at Shanghai to urge upon his colleagues, and they in turn, as a body, upon the Municipal Council, the necessity of suppressing in the International Settlement all Chinese anti-foreign agitation.

The above observations were prepared before the receipt of the Legation's No. 135, January 27, 8 p.m. That telegram reports the departure of the British Minister on home leave and the absence of the British Chargé d'Affaires in Nanking so that it is impossible for the Minister to consult with the responsible British officers in China in regard to this question. It is suggested, therefore, that we inform Minister Johnson that (1) we thank him for his telegram; (2) inform him that the views of the Department remain substantially the same; and (3) instruct him to inform Shanghai along the lines of the preceding paragraph. ~~He may also consider the possibility of taking up the matter with the British Foreign Office through our Embassy in London~~

JEU/VDM

*Approved in substance*  
*SKH*

TELEGRAM RECEIVED

MET

This telegram must be  
closely paraphrased be-  
fore being communicated <sup>FROM</sup>  
to anyone.

Peiping

Dated January 27, 1932

Rec'd 10:05 a.m.

Secretary of State,

Washington

135, January 27, 8 p.m.

CONFIDENTIAL FOR THE SECRETARY.

Your telegram No. 26, January 25.

One. My British colleague left Peiping this morning  
for England via Siberia. Charge d'Affaires Ingram is in  
Nanking in connection with meeting of Council of the League  
of Nations. There is, therefore, no one here with whom I  
can discuss this question.

Two. I telegraphed my own views in my telegram 131,  
January 27.

Three. I believe powers interested should call upon  
Japan to control her own people in the International Settle-  
ment (which is what I understand Chairman of the Municipal  
Council was asking Japanese to do) and leave Municipal  
Council and its forces to deal with Chinese policy.

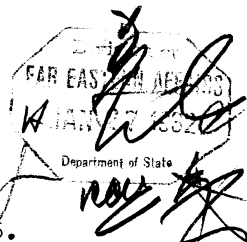
Four. In so far as Japanese were threatening to take  
independent action against Chinese within the Settlement  
(if they

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2-#135 from Peiping, January 27,  
8 p.m.

(if they did so threaten) we should make protest at  
Tokyo against such threats and such actions.

Five. But I think we should move warily lest we  
find ourselves involved on the one side or the other  
in a quarrel not our own.

JOHNSON

KLP-WSE

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

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PM REC'D  
TELEGRAM SENT

Department of State

1-138  
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CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Washington,

January 28, 1932.

AMERICAN LEGATION

PEIPING (CHINA)

31 ~~Confidential~~

Your 131, January 27, 3 p.m., and 135, January 27,  
3658 8 p.m.

One. Department appreciates your analysis of  
situation and of Department's instructions.

Two. The Consul General at Shanghai should be  
guided by Legation's circular No. 7, February 14, 1930.

Department's comments on your telegrams under  
reference will follow in due course.

Meanwhile, please note that section three subsection  
eight of the circular refers to a situation which has  
developed, where there is an actual failure or clear  
unpreparedness of the Municipal Administration to give  
due protection, and not to a situation where such a  
failure is only tentatively apprehended.

Approved

by Sturges  
FE:SKH:EJL

Sturges

Scott

Enciphered by Sturges

Sent by operator M., 1932

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1918 1-138

793.94/3659



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

RECEIVED  
JAN 27 1932  
DIVISION OF

# TELEGRAM RECEIVED

FROM

MET  
This telegram must be  
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fore being communicated  
to anyone.

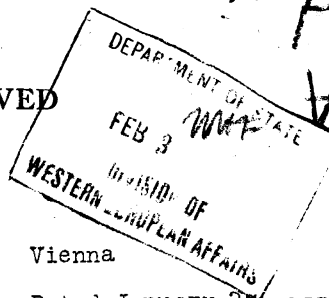
Secretary of State,  
Washington

9, January 27, noon.

Arita, Japanese Minister to Austria and member  
of Japanese Delegation to the League of Nations Council  
Manchurian Conference at Paris, ordered home for consul-  
tation and left Vienna, January 25th for Tokio via Moscow.

STOCKTON

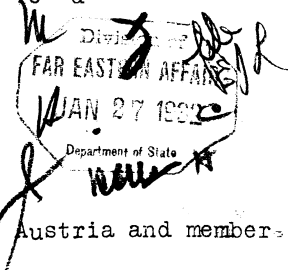
RR-WSB



Vienna

Dated January 27, 1932

Rec'd 9:10 a.m.



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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

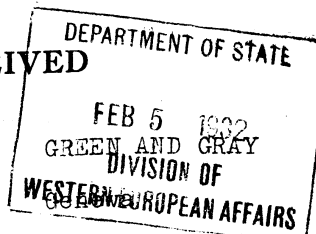
TELEGRAM RECEIVED

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RECEIVED

JAN 27 1932  
DIVISION OF

FROM



Dated January 26, 1932

Rec'd 11:15 p.m.

Secretary of State,  
Washington.

38, January 26, 9 p.m.

The twelve members of the Council other than the

Chinese and Japanese met in private session this morning  
to consider the Sino-Japanese dispute. Drummond has  
made available to me the chief points covered in the  
meeting:

One. Manchurian Commission of Inquiry.

At the opening of the session Drummond took cogniz-  
ance of Yen's protest yesterday that the Commission had  
been long delayed in its appointment and still longer  
delayed in its contemplated arrival in Manchuria.  
Drummond stated that the Commission had been appointed  
with the utmost speed possible, given the difficulty of  
finding men who were both capable of performing this  
difficult mission and at the same time able to give the  
time necessary for it. The Commission had in effect been  
constituted by the end of January and had decided to leave  
for the East on or about February 5th by way of the

United

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Department of State  
rec'd

SECRETARY OF STATE  
FEB 1 1932

793.94/3661

FEB 6 1932

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REP

2- #38, from Geneva, Jan. 26, 9 p.m.

United States where it would be joined by the American member. The Commission had decided to go first to Tokyo for several days, then to Nanking for several days and then to Manchuria. This was quite in accord with the resolution which involves not only Manchuria but all questions between the two countries. It was not therefore quite accurate to take the position which the Chinese representative had taken. The resolution was being strictly followed and the Commission should be in Manchuria in early April or even at the end of March.

Cecil said he understood that the Commission would want to inform itself at Tokyo and Nanking before proceeding to Manchuria but he could equally appreciate that the Chinese might consider a delay of ten weeks as a very long time in which to leave the Japanese military alone in Manchuria without any representative of the League being present. He wondered if the Council could not suggest to the Commission to send some one to Manchuria to report on the facts as speedily as possible.

Marinkovitch (Yugoslavia) said that he understood Drummond's position in regard to the Commission but thought that a full explanation should be made in public. Zulueta (Spain) considered the departure of the Commission to be  
an urgent

REP

3- #38, from Geneva, Jan.26,9 p.m.

an urgent matter and thought they should proceed to Manchuria as quickly as possible, perhaps immediately. Failing that, perhaps a part of the Commission, for instance, the military officers should go to Manchuria at once.

Drummond felt it would be dangerous to split the Commission and thought that if the Chinese were anxious to have it go immediately to Manchuria they themselves might suggest its doing so in preference to going to Nanking. Cecil agreed. Zaleski thought it difficult to go into details for if, for instance, the Council discussed the phrase "on the spot" they would bring up all the old difficulties.

Drummond then begged the Council members not to infringe upon the Commission's task but to respect its sovereignty completely. The Council might suggest that China, if it wished, could ask the Commission to proceed to Manchuria earlier but it ought not to attempt to give any specific instructions to the Commission. The matter was not discussed further.

Two. General situation.

It was agreed that the Council must proceed on the basis of the resolutions of September and December. Cecil explained, however, that the Japanese had taken the "very wide view"

REP

4- #38, from Geneva, Jan. 26, 9 p.m.

wide view" that in spite of their agreement not to aggravate the situation they had the right to clean up the whole of Manchuria, that is, to take Chinchow, to proceed straight up to the Great Wall, and to occupy all the strong points of the region. This was very different from what he had contemplated and from the statement his colleagues had authorized him to make as regards bandits. He considered it difficult to act before the Committee reported but the Council might express its regret at developments and its view that the outcome had not at all been what they had contemplated.

Marinkovitch made a long statement giving what he thought was a general view of the situation as seen from a distance. He thought that the League of Nations had been unjustly hurt in public opinion. He felt that the Chinese were as responsible as the Japanese but the public seems to hold a contrary view and to feel that the Japanese were wrong perhaps because they were stronger. He himself thought the psychology of the East played a great role in the matter and he understood that psychology somewhat (\*) because of the situation in his part of the world. Before the war the great powers had habitually intervened in the Balkans until the local residents had in turn developed the habit of creating incidents to bring about that very intervention. He thought it not impossible that the Chinese

REP

5- #38, from Geneva, Jan. 26, 9 p.m.

Chinese felt that if the situation became sufficiently bad they would force the League to intervene. Also that if they made the lives of the Japanese sufficiently difficult they might force them to withdraw from Manchuria. He did not find it as easy to say what to do as what not to do. Above all the Council should beware of encouraging an irresponsible and nationalistic spirit in China by giving the impression that the League was ready to support anything China did.

Rosso (Italy) thought that Cecil and Marinkovitch differed in emphasis but not in conclusion. It was certainly true that public opinion felt that the wrong was wholly on one side but the Council recognized that the situation in the Far East was not so simple as this.

11  
Cecil again stated with emphasis that the Japanese had acted in full disregard of the views expressed by the Council. In September an incident which has never been explained satisfactorily was used as justification for the sudden occupation of many towns and the killing of many Chinese. This was a procedure that the Council could not approve. Thereafter a resolution was adopted with Japanese assent for their withdrawal as speedily as possible. This was never done but instead the occupation was extended to

Tsitsihar

REP

6- #38, from Geneva, Jan. 26, 9 p. m.

Tsitsihar and Chingchow, hundreds of miles away. On October 24 the other members of the Council asked them to withdraw immediately and their answer was to extend their occupation still further and bombard Chinchow. He agreed that the Chinese were partly to blame but he would not want to go to the other extreme.

Three. Nine Power Treaty.

Cecil opened the discussion on the point by stating that they should bear in mind Article 10 of the Covenant regarding respect for the territorial integrity of States members of the League as well as the Nine Power Treaty for the administrative integrity of China. He thought they ought to say definitely that they could not recognize any change affecting either treaty which was brought about by force. On the other hand he considered it undesirable to try to put this in a resolution where unanimity would be difficult to attain but it might be included in a declaration by the President.

Marinkovich agreed as regards the principle of Chinese integrity but he thought it preferable to obtain an assurance from the Japanese which he thought would have more binding force upon them and at the same time offer less encouragement to the Chinese nationals. After all

Japan

REP

7- #38, from Geneva, Jan. 26, 9 p.m.

Japan had a more responsible government than China and was capable of accepting and executing its agreements. He therefore proposed that the Council should:

First, show the public that the League had not suffered a check but was working slowly and surely;  
Second, defend the Commission and show why it was proceeding as it was; and  
Third, get the Japanese to make a statement that they would not change the territorial or political situation.

Rosso also expressed a preference for obtaining spontaneous offer from the Japanese regarding territorial integrity.

Boncour, President, expressed doubt in regard to the wisdom of Cecil's suggestion to mention the Nine Power Treaty which he thought should be invoked not by the League but by the signatories either singly or jointly. He was not, however, greatly impressed with the efficacy of a further Japanese statement on Chinese integrity as he feared that with the development of autonomous governments <sup>*this would be*</sup> ~~thoroughness~~ merely appearance.

Cecil replied that he would greatly welcome a Japanese statement regarding respect for Chinese integrity but he would like to have the Council take formal note of this by some special action. As regards the Nine Power Treaty the Covenant especially provides respect for treaties which is indeed a doctrine of the League.

Lester



REP

8- #38, from Geneva, Jan. 26, 9p.m.

Lester (Ireland) agreed with Cecil but stated that entirely apart from territorial and administrative integrity the Japanese should give some guarantee not to use the situation to force special advantages.

Boncour then agreed that an interview should be held with the Japanese concerning the situation as a whole and advantage should be taken of the opportunity to feel out the Japanese as to the possibility of a declaration on territorial integrity and political independence in the phraseology of Article No. 10. An exchange then took place between him and Cecil as to whether this phraseology should be that of Article 10 of the Covenant or of the Nine Power Treaty regarding administrative integrity. No conclusion, however, was reached on this point.

Four. Position of the United States.

During the course of the discussion on the territorial integrity of China the position of the United States was brought forward first by Cecil who, in suggesting that the Council take some formal action, stated that this would be in accord with the action taken by the United States. He wished to support that action especially as in the earlier stages the United States supported the League and even went considerably beyond its usual practice to do so.

Marinkovich

REP

9- #38, from Geneva, Jan. 26, 9 p.m.

Marinkovich doubted the wisdom of the suggestion to support the United States. The Council could not foresee the future. America was not a member of the League nor bound by its terms. It ought not to have a sort of moral indorsement from the League for it would be very dangerous if the Chinese-Japanese dispute became transformed into a Japanese-American dispute. The League should be cautious about echoing America's action as this might give a false impression in China and delay the process of conciliation. He had taken the general position he had because he felt this to be in the interest of the Council. Its members were not too sure of the situation. If they had been they would have acted more energetically.

Cecil replied by stating that he considered it highly desirable for the Council to put itself in line with the American protest. It involved no threat of war but was merely a statement that it would not recognize changes effected by force. The ~~It~~ <sup>Council</sup> ought not to pass over American action simply because the United States was not a member of the League especially when the United States had gone so far with the League as in this case.

Five. The Shanghai situation.

The situation at Shanghai was viewed by the Council  
with grave

REP

10- #38, from Geneva, Jan. 26, 9 p.m.

grave concern. Cecil in opening the discussion on this point said that he considered it the most serious point of all. It involved the very greatest danger to world peace. He said he had just had word that never had racial or national bitterness been so extreme and that it would be very easy to create a conflagration which might involve many countries. The situation well illustrated the difficulty of handling anything affecting China and tended to strengthen the Japanese contention that the Chinese were incapable of maintaining order. The situation was difficult in that on the one hand the Chinese might not be loath to embroil the Council and on the other hand the Japanese would certainly not be loath to find a justification for their action in Manchuria. Cecil accordingly suggested that the President of the Council together with certain members should see the representatives of the two nations privately and separately and urge upon the Japanese the necessity of remembering the international interests involved in Shanghai, and upon the Chinese the desirability of proving that they have a strong Government.

Marinkovich <sup>agreed</sup> ~~that~~ that the Shanghai situation was very dangerous in fact a powder magazine and that the League should be doubly cautious. Why had China, as a state appealing to the League, not apologized for the murder of Japanese monks?

REP

11-#38, from Geneva, Jan. 26, 9 p.m.

Japanese monks? This was not the first time that foreigners had suffered in China and the League ought somewhat to disengage its responsibility.

Boncour in agreement with Cecil suggested that the most effective action would be an official demarche to the parties as soon as possible by the President with some of his colleagues. He stated that news had just been received by his delegation that the Foreign Minister of China had resigned because the Cabinet urged a more conciliatory policy than he favored. Therefore, in regard to Shanghai, Boncour thought that the action to be taken by the Council should be sharp and decisive.

The Consulate will report as promptly as possible any further developments on these points.

GILBERT

KLP

HPD

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM SENT

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect  
Charge Department  
OR  
Charge to  
\$

Department of State

1-138  
TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

This cable was sent in confidential Code.  
It should be carefully paraphrased before  
being communicated to anyone.

Washington,

*noon*

AMERICAN CONSUL

GENEVA (SWITZERLAND).

*30*

Your 38, January 26, 9 p.m.

Inform Cecil as strictly confidential to himself  
that, before receiving the information contained in  
paragraph five of your telegram under reference, your  
Government had instructed the American Ambassador,  
Tokyo, to urge upon the Japanese Foreign Office the  
importance of the situation at Shanghai in relation to  
international interests and world peace. Also, that  
the Secretary of State has noted with interest and  
appreciation the position which Cecil has taken, as  
reported in your paragraph four, in support of the  
position of the United States in regard to the Manchuria  
question.

793.94/3661

*Stinson*

62 82 NHT

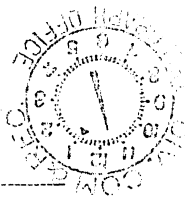
FE:SKH:EJL

FE

Enciphered by *KP*

Sent by operator *M.*, 19 *5/24*

Index Bu.—No. 80.



1-138

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

REP

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

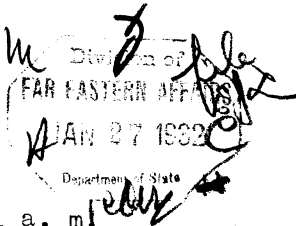
FROM

Dated January 27, 1932

Rec'd 12:05 p. m.

Secretary of State,  
Washington.

RECEIVED  
JAN 27 1932  
DIVISION OF  
WESTERN AFFAIRS



F/LS

793.94/3662

FIL 31

41, January 27, noon.

Consulate's No. 40, January 27, 11 a. m.

In connection with the general discussions there are  
strong private expressions on the part of leading delegates  
which may be summarized to the following effect:

One. The seriousness of prompt action and the  
perhaps greater seriousness of its implications cannot  
be too greatly emphasized.

Two. Regret is expressed at the circumstance that  
cooperation between the United States and the League  
respecting an objective approach to the situation in  
Manchuria had been circumscribed by perhaps unavoidable  
considerations regarding the more general relationship  
between America and the League which has permitted in a  
manner Japan's playing off the League against the United  
States and vice versa.

Three. They express the hope that at this juncture  
some means may be found to bring about the greater advantage  
to be

793.94  
note  
500. C112

19  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

2- #41, from Geneva, Jan. 27, noon.

to be derived from common action on essential points  
between the United States and the League.

GILBERT

WSB

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

MET

GRAY

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

RECEIVED

FROM

Nanking

JAN 27 1932

Dated January 27, 1932

DIVISION OF

Rec'd 1:06 p.m.

RELATIONS

Secretary of State,

Washington

17, January 27, 11 p.m.

The following telegram has been sent to the Legation:

January 27, 10 p.m.

The Japanese Consul at Nanking states that the

Japanese Consul General at Shanghai has demanded from the

Chinese authorities a favorable reply to the Japanese de-

mands relating to Shanghai, January 28, midnight, failing

receipt of which the Japanese naval authorities will take

appropriate measures. My Japanese colleague informs me

that he has today assured the Chinese Foreign Office that

the Japanese naval vessels at Nanking will not take the

initiative in fire action. He is of the opinion that the

Chinese will deliver a favorable reply before January 28

midnight. From statements made to me by Chinese officials

I share this view and I do not anticipate trouble at Nan-

king. All Japanese consuls in the Yangtze Valley have

orders

773.94  
note  
893.1028

F/LS

793.94/3663

FEB 4 1932



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2-#17 from Nanking, January 27,  
11 p.m.

orders to be ready to remove to naval vessels on  
receipt of telegraphic instructions.

Repeated to the Department.

PECK

KLP-HPD

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

REP

FROM

RECEIVED  
JAN 27 1932  
DIVISION OF

DEPARTMENT OF STATE  
FEB 3 1932  
DIVISION OF  
WESTERN AFFAIRS  
Geneva  
Dated January 27, 1932

Rec'd 2:10 p. m.

Secretary of State,  
Washington.

44, January 27, noon.

Department's unnumbered telegram December 11, 2 p. m.

One. In view of undue strain put upon Drummond to inform me personally of developments in private meetings of the Council, Consulate's 38, January 26, 9 p. m., he has arranged for Sweetser to do this in a manner similar to Sweetser's services in Paris to General Dawes in this respect.

Two. In conformity with instructions in your 20, January 21, 4 p. m., I am, however, keeping in personal contact with pertinent officials.

GILBERT

WSB

HPD

F/LS 793.94/3664

FEB 5 1932

FILED

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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

WP

FROM GRAY

Shanghai

Dated January 28, 1932

Rec'd 3:00 a. m.

Secretary of State,

Washington

PRIORITY.

January 28, noon.

The Defense Committee this morning decided to ask the Municipal Council to declare from 4 o'clock this afternoon a state of emergency. The Council convenes at 12 o'clock and will undoubtedly declare a state of emergency.

Two. The Japanese flagship was anchored last night in front of the Japanese Consulate. At 8:30 this morning a bomb was thrown presumably intended for the Japanese Consul General exploding at the corner of the Japanese Consular property where the prison is located.

Repeated to the Legation.

CUNNINGHAM

JS

F/LS

793.94/3665

FEB 4 1932

713.94  
note  
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RECEIVED  
FEB 28 1932  
DEPARTMENT OF STATE  
H

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect  
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OR  
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AM REC'D TELEGRAM SENT

Department of State

Washington,

February 5, 1932.

1-138  
TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

NAVAL RADIO

793.94/3665  
FEB 5 32  
AMERICAN CONSUL

SHANGHAI (CHINA).

Your January 28, noon. Please report date and hour when state of emergency was declared and hour it was to be made effective by defense forces taking up their assigned positions.

793.94/3665

FE:CEG:EJL

FEB 5 32

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_

Index Bu.—No. 50.

AM REC'D  
U.S. GOVERNMENT PRINTING OFFICE: 1928 1-138

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

WP

GRAY

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

FROM Shanghai

RECEIVED

Dated January 27, 1932

JAN 28 1932

Rec'd 10:30 p.m.

DIVISION OF

Secretary of State,

Washington

January 27, 2 p. m.

CONFIDENTIAL.

Continuing my January 25, 5 p. m., and previous  
telegrams, Secretary-General of Shanghai Municipal  
Council states in reply to my inquiry as to whether  
it were necessary to increase naval forces here at  
once that "were I in your place I would bring to  
Shanghai everything the government will give you".

Being somewhat in doubt I consulted Colonel  
Hooker, Commander of the United States Marine Corps  
who after contact with his corresponding colleagues  
of other nationalities yesterday, stated that he  
considers present forces adequate to meet existing  
conditions within the settlement even if state  
emergency is declared. I hesitate to agree with the  
Secretary General at this moment though it is certain  
that there are potentialities in local conditions  
which

F/LS

793.94/3666

793.94  
893.102  
393.11  
Jan 28 1932

FAR EASTERN

JAN 28 1932

Department of State

3624

RECEIVED  
JAN 4 1932

- 2 - from Shanghai

393.11  
which might develop very quickly and which would unquestionably tax the capacity of the United States Navy to give protection to lives and property and contribute America's share in preserving the integrity of the International Settlement as a place of refuge and business by several American nationals.

However in view of the existing most serious conditions I desire to submit the following remarks for the consideration of the Commander in Chief, Legation and Department:

One. Pruynges was murdered on January 24th in daylight at the hands of the military in the literal shadow of military headquarters at Lunghwa while he was on an open road and probably after receiving permission of the soldier or his associates to pass.

Two. There are some 17,000 soldiers in Chinese territory within a radius of seven miles, to include Woosung this number would be larger, who are unpaid, undisciplined and inadequately commissioned but with loaded guns murderously characteristic of youths are anxious to hear them boom.

Three. This army is largely composed of very young

- 3 - from Shanghai

young boys. They have penetrated most secluded spots on and off highways and are constantly challenging travelers in a way which endangers the very lives of those who venture outside of the settlement. There are numerous instances of incidents being narrowly averted which it is unnecessary to itemize. Many American citizens within ten miles of Shanghai have had narrow escapes including members of my own staff who had not ventured far afield.

3 93.11  
Four. With considerable rapidity barbed wire and other entanglements are being constructed by the Chinese outside the border of the settlement on municipal roads. These but inspire self-confidence of Chinese which would be dangerous should it become necessary to rescue American citizens from these districts and the necessity for rescue is by no means unlikely.

Five. There are millions of soldiers scattered throughout China many of whom are without pay and who characteristically have no recognized head. These may become at any time armed bendits who will menace any district

- 4 - from Shanghai

district they happen to reach.

Six. There is no government at the capital of the country which is recognized as having authority to take command of either civil or military situation.

Seven. There are 60,000 Chinese employed in Japanese cotton mills in and contiguous to the settlement, twenty per cent of whom are on strike. There are at least a quarter of a million persons employed in other industrial concerns. It is certain that communist activities are very great and in the event of a clash it will be an order for communists to get in different kinds work and possibly disturb industrial conditions materially thus throwing a large class out of employment which would be a potential cause of breach of law and order.

Eight. CONFIDENTIAL. For consideration of minister, Commander in Chief and Department:

Should a state of emergency be declared the senior officer would have peculiar relations and influence if not authority in his contacts with forces on land. Some recognized liaison head prevents confusion duplication action. At the present moment the

senior



1920  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

- 5 - from Shanghai

senior military officer is Japanese. The question would appear to have more than local importance and my reason for mentioning it is that it is prominently displayed in this morning's North China DAILY NEWS.

893.00 -  
Martial Law  
Nine. Martial law was declared in Chinese territory at 6 P. M., on the 21st and continued until 6 P. M., the 23rd and has been declared from 6 P. M., to 8 A. M., each night since that date.

Repeated to Legation.

CUNNINGHAM

FW

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

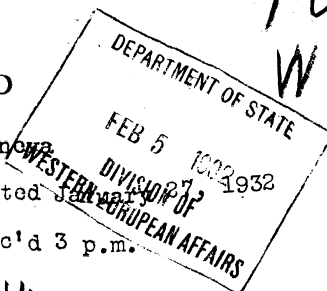
# TELEGRAM RECEIVED

MET  
This telegram must be  
closely paraphrased be-  
fore being communicated  
to anyone.

Genova

Dated

Rec'd 3 p.m.



Secretary of State,

Washington

40, January 27, 11 a.m.

Drummond informs me as follows:

Boncour, assisted by the British, German and Italian  
representatives as well as by the Secretary General (a  
reconstitution of the so-called Committee of five) received  
separately and privately late yesterday afternoon both the  
Chinese and the Japanese representatives as agreed at the  
private session of the Council reported in the Consulate's  
38, January 26, 9 p.m. His purpose was twofold:

(first) to express in the clearest and most unequivocal  
fashion the alarm felt by the Council regarding Shanghai and,

(second) to take advantage of the interview to feel  
out the two representatives as to other aspects of the  
dispute.

One - Shanghai situation.

Boncour explained to Sato the grave disquietude the

Council

793.94  
note  
-00-  
893.102

W  
FEB 5 1932  
DIVISION OF  
WESTERN EUROPEAN AFFAIRS  
FEB 28 1932  
State

F/LS

793.94/3667

FILED

MET

2-#40 from Geneva, January 27,  
11 a.m.

Council felt at the possibility of Japan's landing troops at Shanghai. He pointed out that Shanghai was another matter than Manchuria, that there were vast international interests there, and that consequently there were great dangers of international complications. Sato was not in a position to give any positive information or assurances on the matter but promised to cable his Government of the Council's concern. He explained however that he could accept no intimation of criticism on the part of the Council which he felt would be wholly unjustified. He also declared that his government was becoming *accustomed to* ~~the~~ protests. This led Drummond to state with some heat that Japan must surely take into account the expressions of general world opinion.

Boncour expressed to Yen the desirability of a supreme effort by China to preserve peace and order in Shanghai and to avoid any incident which might be interpreted as a justification of Japan's claim that the Chinese Government was unable to protect foreigners on its territory. Yen pointed out that such disorders as had occurred were utterly insignificant in comparison with the vast scale of Japanese actions and were only a natural and almost inevitable outburst of public indignation which so far under the unprecedented circumstances had been remarkably

mam

3- #40, from Geneva, January 27,  
1932

remarkably restrained. He agreed, however, to transmit the Council's views to his Government.

Two. Position under the treaties.

As regards the general situation Boncour expressed to Sato that the Council would greatly appreciate a formal declaration by Japan as to the territorial and political independence of China, the preservation of the "open door" and the respect for existing treaties. Sato explained that he had already the day before made a statement on exactly these lines and that it would seem superfluous and be somewhat embarrassing to make another. He agreed, however, to inform his Government of the Council's wish and to ask their instructions.

Yen in his turn said that he had been instructed to invoke Articles fifteen and sixteen but had so far refrained from doing so in the hope of receiving satisfaction within the present procedure. Drummond had understood from a previous conversation that such satisfaction would have been had from a Council endorsement of the American note but Yen felt that this would not be sufficient. When pressed for details he said that what his people really wanted was to see the Japanese withdrawal begin and to secure some definite hope of the return of Manchuria. There was a feeling among some of those present, however, that Yen felt himself for the moment

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

mam

4- #40, from Geneva, January 27,  
1932

moment on somewhat uncertain ground because of the re-  
signation of Chen under whose instructions he had been  
acting, and the likelihood of a less extreme policy on  
the part of his successor.

(END SECTION ONE)

GILBERT

RR

WSB

HPD

## TELEGRAM RECEIVED

REP

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

FROM

GENEVA

Dated January 27, 1932

Rec'd 12:50 p. m.

Secretary of State,  
Washington.

40, January 27, 11 a. m. SECTION TWO.

Three. Possible program of action. A private meeting is planned for this afternoon for a report on these negotiations and a consideration of further action. It is expected that as the resolutions of September 30 and December 10 are still operative no further formal resolution will be attempted at this session but that instead a general declaration will be made by the President on behalf of the other Council members. This statement as at present outlined would emphasize the profound distress felt by the Council at the continued embitterment of the situation which is wholly unjustifiable not only to Japan and China but to the whole world in this moment of economic crisis; would point out that good relations between nations can be based only on cooperation and mutual respect and never on force either military or economic; would underline that the process of conciliation has already begun with  
the appointment

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

2- #40, from Geneva, Jan. 27, 11a.m.  
(Section Two).

the appointment of the Commission to which the Council attaches very great importance; and would again urge both parties in their own interests and in the general world interest to desist from further aggravating the situation and to return to normal peaceful relations. Whether any action will be taken to expedite the visit of the Commission or either directly or indirectly to endorse the American note is still undecided.

(END MESSAGE).

GILBERT

KLP

HFD

TELEGRAM RECEIVED

MAM

This telegram must be closely paraphrased before being communicated to anyone. FROM

GENEVA

Dated January 27, 1932

Rec'd 4:50 p.m.

Secretary of State

Washington

43, January 27, 3 p.m.

Consulate's No. 35, January 26, 4 p.m.

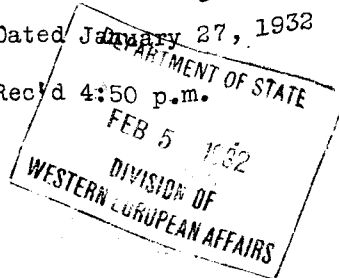
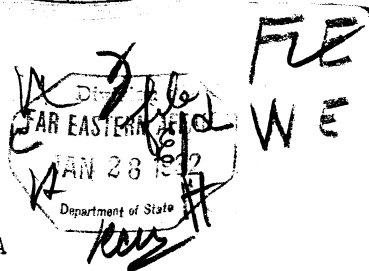
The following developments have taken place respecting the Chinese position:

One. I have been reliably informed that Yen has received instructions to "get ready" to invoke Articles 15 and 16 of the Covenant.

Two. From various indications I am inclined to believe that the statement of "intentions" on the part of the Chinese is not a trial balloon but represents their genuine position.

Three. Yen's position respecting an invocation of Articles 15 and 16 is, however, that he will not follow this course if he can obtain what he regards as equivalent satisfaction in other directions. He is willing to withhold invocation under the following conditions:

(A)



F/L/S

793.94/3668

FEB 6 1932



mam

2- #43, from Geneva, January 27, 1932

(A). That the Japanese immediately cease all hostilities; i.e., not merely promise to do so.

(B). That the Japanese make a concrete gesture of withdrawal; for example, give up the occupation of Chin-chow or retire their warships from Shanghai.

(C). That the Council materialize hasten the arrival in Manchuria of the Commission of Inquiry.

(D). That the Council (or perhaps the leading Council powers) back up either directly or by a substantially similar demarche the American note of January 7.

Four. Drummond is pessimistic respecting the possibility of persuading either Japan or the Council to take pertinent action.

Five. China is considering as a possible alternative (repeat alternative) to the conditions listed in paragraph three above the entering into effect of the Nine Power Treaty along the lines discussed in paragraph one - C of the Consulate's telegram under reference.

FW  
OX

GILBERT

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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REP

FROM

PLAIN

RECEIVED

JAN 27 1932

SECTION OF

Peiping via N. R.

Dated January 28, 1932

Rec'd 5 a. m.

Secretary of State,  
Washington.

136, January 28, 3 p. m.

Following from Reuter, Shanghai, January 27th:

"The Japanese Consul General, Mr. Murai, at eight o'clock tonight delivered an ultimatum to the Mayor of Greater Shanghai, General Wu Tachen, demanding that a definite reply to the Japanese demands shall be delivered to the Japanese Consulate by 6 p.m. tomorrow January twenty-eighth."

JOHNSON

JS

CIB

F/LS 793.94/3669

FILED

FEB 4 1932

793.94  
note S  
893.102

FEE

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustig NARS, Date 12-18-75

TELEGRAM RECEIVED

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

MET

GRAY

FROM

Shanghai via N.R.

RECEIVED

Dated January 28, 1932

DIVISION OF

Rec'd 6:40 a.m.

Secretary of State,

Washington

January 28, 1 p.m.

Following telegram has been sent to the Legation:

"January 28, 1 p.m.

Confidential. My January 27, 2 p.m.

I learn both from Mayor and Japanese Consulate General that Japanese Consul General has given Mayor until six o'clock tonight to answer satisfactorily the Japanese demands. Mayor issued a proclamation last night suppressing the anti-Japanese National Salvation Association. In conversation this morning the Mayor informed me that he had ordered the five branches of this association to close; that this was the only association which was actively seizing Japanese goods; that yesterday Japanese Consul General had insisted that all associations containing in their names the words "anti-Japanese" must be closed; but that he, the Mayor, could not do this as many of them were not doing anything

F/LS

793.94/3670

FILE

FEB 4 1932

793.94  
note  
893.102  
393.11

1-2-1  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2-From Shanghai via N.R.,  
January 28, 1 p.m.

anything illegal and that if he were to close them there would be riots and disturbances. He added that he had prepared the way so that he looked for no disturbances to come from the present closing. His position seems perfectly logical and he created a very favorable impression by his statement of the case.

393.11  
Chinese troops are continuing to erect barricades and are stopping motor cars, et cetera, on outlying roads and I have caused a notice to be published in the newspapers this morning that American residents in exposed districts should be prepared to act immediately and on their own initiative if and when conditions seemed to justify it".

CUNNINGHAM

HPD

11-215  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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

REP

FROM

RECEIVED

GRAY

RECEIVED

Shanghai via N. R.

DIVISION OF

Dated January 28, 1932

Rec'd 6:40 a. m.

793.94  
note  
893.102  
Secretary of State,  
Washington.

January 28, 6 p. m.

CONFIDENTIAL.

At meeting of Consuls this afternoon Japanese  
Consul General informed us that at three o'clock p. m.  
today he had received a satisfactory reply from the  
Mayor and that if the Chinese carry out their  
promises a clash would be avoided.

Repeated to the Legation and Nanking.

CUNNINGHAM

HPD

F/LS 793.94/3671

FEB 4 1932

PT. RD

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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

REP

FROM . PLAIN

Peiping via N. R.

Dated January 28, 1932

Rec'd 6 a. m.

Secretary of State,  
Washington.

137, January 28, 4 p. m.

Following from Reuter, Harbin, January 26th:

"Troops under General Hsi Hsia, Governor of Kirin are marching from the southeast in three directions towards Harbin and are now within thirty kilometers (under twenty miles) of it. Their strength is approximately ten thousand and they have with them four bombing planes.

Fuchiatien has been captured by troops from Pinhsien and is isolated. No communication with it has been permitted and it is rumored that looting and other excesses have taken place there.

The Japanese military mission is now in session.

The Japanese are of the opinion that fighting will begin tomorrow between troops of the old and new Kirin governments.

The Japanese Colonel Doihara arrived here this morning and has been appointed chief of the Japanese mission."

JOHNSON

JS

F/LS

793.94/3672

FILED

FEB 5 1932

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustig NARS, Date 12-18-75

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

TELEGRAM RECEIVED

HT

MET

GRAY

RECEIVED FROM

Shanghai via N.R.

DIVISION OF

Dated January 28, 1932

Rec'd 8:50 a.m.

Secretary of State,

Washington

January 28, 4 p.m.

My telegram of January 27, 2 p.m., paragraph two.

After careful consideration I believe that an American naval vessel should be stationed on the Whangpoo in the vicinity of the Shanghai Power Company's plant and American oil companies installations, and another naval vessel near the Dollar Steamship wharf which is located up river on the Pootung side. In making this recommendation I have in mind Department's telegram No. 419, December 18, 7 p.m., 1929, to the Legation, Peiping. The effect, however, of naval vessels at points mentioned would be to deter possible Communist disorders particularly among laborers of Shanghai Power Company, and also be a protection in the event of Sino-Japanese disturbance. As there is only one American naval vessel here at present I recommend that such additional vessels be despatched as the naval authorities consider proper.

Repeated

F/LS 793.94/3673

FILED

793.94  
2100  
893.102  
393.11  
611.80 Q-7

393.11/1044

FEB 3 1932

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2-from Shanghai via N.R., January  
28, 4 p.m.

Repeated to the Legation.

CUNNINGHAM

HPD-KLP



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

January 28, 1932.

Subject: Shanghai Situation.

Reference: Shanghai's Telegrams of January 27, 2 p.m.,  
January 28, 1 p.m., and January 28, 4 p.m.

Three questions are raised in the telegrams under  
reference as follows:

1. Protection of American nationals and their property in the International Settlement;
2. Protection of American nationals outside of the International Settlement and the French Concession; and
3. The nationality of the Senior Admiral in control of the international forces at Shanghai.

As regards the question of the protection of American nationals and their property in the Settlement, the telegram under reference indicates that Colonel Hooker, Commander of the United States marine corps at Shanghai, after contact with his corresponding colleagues of other nationalities, feels that the present forces are adequate to meet existing conditions within the Settlement. For the time being, I think Colonel Hooker's estimate of the situation should be accepted. However, as regards the American property along the waterfront referred to in Shanghai's January 28, 4 p.m., namely the power plant, the Dollar wharf and the installations of the oil companies, I believe that there should be three of our naval vessels at Shanghai in order that one vessel may be stationed opposite each of these three properties.

With

F/DEW

793.94/3673

FILED

JAN 30 1932

793.94/3673  
8/13/1025  
8/13/1025  
8/13/1025

~~SKA~~  
DCR  
Lily  
3666  
3670  
3673

- 2 -

With regard to the question of the protection of American nationals outside of the International Settlement and French Concession areas, such nationals should be advised to withdraw within the defense lines of those areas. Mr. Cunningham indicates in his telegram of January 28, 1 p.m., last paragraph, that this is being done.

With regard to the question of the nationality of the Admiral in charge of the international forces at Shanghai, it is not believed, as the situation at Shanghai arises out of difficulties between China and Japan, that he should be a Japanese, as at present. An American or British Admiral as senior officer would be in a better position to control the situation in the Settlement,

even in favor of Japanese interests, than would a Japanese Admiral. In view of the preponderant British interest in the International Settlement, I think the Senior Admiral should be British.

8/1/30 A-7.  
It may seem a little awkward, at the present time, to order our Admiral to Shanghai, and if the British Admiral is not available, or the British Government is unwilling to order him to Shanghai, we must consider whether we are prepared to take such action. I see no objection to our doing so unless there is some plan under consideration to take a strong and positive stand in regard to the Japanese activities at Shanghai which might bring us into open conflict with Japan. In that event we should want as many of our war vessels out of Shanghai in our own waters (Philippine) where they would be

1 221  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

- 3 -

be more free to act in the protection of our interests. In the event of an extreme emergency in our relations with Japan, we do not want our fleet and our Senior Admiral in Asiatic waters tied up in Shanghai. However, we can accomplish the purpose of protecting our interests at Shanghai, Nanking and Hankow by ordering three or four smaller vessels to those ports under the control of the Commander-in-Chief of the Yangtze Patrol, leaving the Commander-in-Chief of the Asiatic fleet at Manila with the bulk of his fleet.

JEJ  
JEJ/YDM

122

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

MET

This telegram must be  
closely paraphrased be-  
fore being communicated  
to anyone. FROM

Peiping

Dated January 28, 1932

Rec'd 8:45 a.m.

Secretary of State,

Washington

139, January 28, 6 p.m.

Legation's 135, January 27, 8 p.m.

Netherlands Minister has just called to state that  
his Consul telegraphs that state of emergency has been  
declared in Shanghai; that volunteers have been mobilized  
in International Settlement; that French have mobilized in  
the French Settlement, and that Japanese state they will  
begin action within 24 hours. He asked me to consider  
approaching Japanese and Chinese locally at Shanghai for  
the purpose of calling upon them to respect neutrality of  
International Settlement as was done in 1894. I stated  
that I hesitate to take any action locally at Shanghai  
that might cause one side or the other to believe that the  
foreign powers <sup>taking</sup> ~~are~~ sides in this matter. I certainly did  
not want to take any action that would inspire a false sense  
of security among the Chinese. Furthermore I did not under-  
stand that a state of war existed between China and Japan.

I

F/LS 793.94/3674

FILED

793.94  
mte S  
29-10-32

W. J. Tel. Reut  
JAN 29 1932  
U.S. DEPT. OF STATE  
RECEIVED

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2-#139 from Peiping, January 28,  
6 p.m.

I stated that I had telegraphed the Department regarding conditions at Shanghai, that I assumed that Japan would respect the neutrality of the International Settlement and in any case I did not wish to take action there without foreknowledge of the Department.

Thorbecke pointed out that there was grave danger that foreign volunteers and foreigners in Shanghai might find themselves involved in this trouble in such a way as to start anti-foreign reactions. I agreed with him in regard to this matter and I feel that everything should be done to prevent volunteers getting involved. I think powers should call upon Japan to recognize international character of settlement at Shanghai and to respect that situation and the neutrality of the International Settlement.

JOHNSON

KLP-WSB

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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

REP

FROM

PLAIN

RECEIVED  
JAN 29 1932  
DIVISION OF

Peiping via N. R.

Dated January 28, 1932

Rec'd 9:10 a. m.

Secretary of State,  
Washington.

140, January 28, 7 p. m.

Following from Reuter, Shanghai, January 28th:

"Chinese well known in Japanese circles called on Mr. Murai the Japanese Consul General this morning and informed him that General Wu Ti Chen was accepting the Japanese demands and had issued orders last night to close down the anti-Japanese associations. He declared that a formal reply would be handed to Mr. Murai this afternoon but the time was not mentioned."

JOHNSON

WSB

F/LS 793.94/3675

FEB 4 1932

FEB 4 1932

1225  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

COPIES SENT

O.N.I. AND M.I. *FE*

REP

RECEIVED FROM

PLAIN

Peiping via N. R.

DIVISION OF

Dated January 28, 1932

Rec'd 9:20 a. m.

793.94  
note  
893.102 Harbin  
Secretary of State,  
Washington.

141, January 28, 8 p. m.

Following from Reuters:

"Harbin, January 27. The troops of the new Kirin Government (that is, those under Japanese influence) have been forced to retreat. A Japanese aeroplane has been shot down. The engagement lasted for four hours today and finished at twelve thirty p. m. Several civilians were killed and wounded by gun fire and aerial bombs. The town is in a panic. It is expected that fighting will be recommenced this evening. Tokyo, January 28. Following fighting between the troops of General Ting Chao and those of General Hsi Hsia, the Kirin Governor under Japanese auspices, an orgy of looting and plundering set in at Harbin today where General Ting Chao's soldiers looted a number of wealthy Japanese and Korean residents also the Japanese hospital instituting a virtual reign of terror. The whole city is plunged in darkness.

The latest press message from Harbin indicates that it may be

F/LS

793.94/3676

FILED

FEB 5 1932

REP

2- #141, from Feiping, Jan. 28, 8 p.m.

may be necessary to despatch Japanese troops to protect Japanese lives and property which appear to be endangered.

Telegraphic and telephonic communication between Changchun and Harbin have been entirely cut off. Considerable anxiety is felt for the fate of the large Japanese colony at Harbin according to press messages from Changchun which also report that the Chinese troops at Kwangchengtzu, the terminus of the southern extension of the Chinese Eastern Railway, started disturbances at midnight last night and seized the station.

Another despatch reports that the passenger train from Harbin due at Kwangchengtzu this morning was held up at Yaomen owing to the disturbed situation.

It is reported that a detachment of Japanese troops from Changchun is being sent to Harbin."

JOHNSON

WSB

RR



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustig NARS, Date 12-18-75

MET

TELEGRAM RECEIVED

DEPARTMENT OF STATE  
GREEN  
Geneva FEB 5 1932  
DIVISION OF  
EASTERN EUROPEAN AFFAIRS  
Rec'd 10:40 a.m.

FROM

Secretary of State,

Washington

47, January 28, Noon.

Consulate's 32, January 25, 10 p.m., paragraph 3, and

Consulate's 46, January 28, 9 a.m.

The citation of Yoshizawa's statement before the Japanese Parliament on January 21st, which Sato made in the public meeting of the Council on January 25th, was in the following terms:

"Japan has no territorial aims in Manchuria. She is supporting the principle of the open door and of equal chance. She is also supporting all the treaties relating to that territory. What Japan desires is merely the assurance of peace and order in Manchuria. She desires to make that region safe for the Chinese as well as for foreigners and to make it open to all with a view to its economic development".

GILBERT

WWC  
KLP

793.94  
note  
500.2112

FE  
WE

F/LS

793.94/3677

FILED

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

REP

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

GRAY

FROM

Peiping via N. R.

Dated January 28, 1932

Rec'd 11:45 a. m.

RECEIVED  
AT 9:30 P.M.  
DIVISION OF

Secretary of State,  
Washington.

143, January 28, 10 p. m.

As a result of pressure from the Japanese Legation the PEIPING LEADER, only English language newspaper here, suddenly suspended publication today. Publicity Bureau of Marshal Chang's headquarters states that the publication of a declaration issued by the Korean Independence Party was considered an insult by the Japanese and they demanded that the paper be closed. This demand being rejected the Japanese continued to threaten the paper intimating that the local Japanese residents of Peiping might on their own initiative take drastic measures to deal with the paper and its manager. Fearing the repetition of some incident similar to that involving Chinese papers at Tsingtau and Shanghai the LEADER has of its own accord suspended publication in order to avoid the possibility of any trouble taking place here. The paper is seeking instructions as to its future course from the Central Propaganda Department at Panking. See Legation's despatch 502, October 1, 1930.

JOHNSON

WSB - HPD

F/LS 793.94/3678

FEB 4 1932

FILED

793.94  
note  
893.911

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

## TELEGRAM RECEIVED

A portion of this telegram must be closely paraphrased before being communicated to anyone. FROM

TOKYO

Dated January 28, 1932

Rec'd 11:30 a. m.

Secretary of State,  
Washington.

26, January 28, 9 p. m.

Reference to Department's telegrams 25, January 27, 2 p. m., and 26, January 27, 5 p. m.

I was received by the Foreign Minister at 6:30 and gave him orally the full text of both your messages with slight intentional paraphrasing. He insisted on taking down most of it in long hand. He then read it over. It was evident he had it clearly and replied, (GRAY) first, that he gave the solemn assurance of his Government that there was no intention whatever of interference with the rights or interests of any foreign power in Shanghai and incidentally he stated that there was no intention whatever of Japanese forces operating in the vicinity of Chenju where the radio station is situated. In regard to procedure he informed me that the proper formalities had been observed with the local authorities to secure permission for landing Japanese forces. He described the plight of the Japanese merchants and residents in Shanghai as deplorable and stated that the anti-Japanese

FAR EASTERN AFFAIRS

Department of State

F/LS

793.94/3679

FILED

FEB 4 1932

793.94  
893.102-S  
(93.94)  
893.102-Harbin  
393.115-Radio  
Conf. of American

REP

2- #26, from Tokyo, Jan. 28, 9 p.m.

anti-Japanese movement in Shanghai and throughout  
China had reached an "extremity".

He asked me to express to my Government his appreciation of the friendly sentiment expressed in your communication and to assure it that they would take especial care of non-interference with any American interests and rights.

He spoke of the anti-Japanese agitation throughout China and said it had been going on much longer than has the campaign in Manchuria and that there were anti-Japanese movements and incidents of which he had received while in Geneva lists running back through the whole of year and not confined at all to Manchuria, but also in China proper and along the Yangtze.

He said that at 4 o'clock this afternoon he received a communication from Shanghai advising him that the Chinese had accepted the four demands which the Japanese Consul had made by his, the Foreign Minister's, instructions.

He added that the Japanese people were so stirred up by the organized anti-Japanese movement in China that failure to take a firm stand in dealing with it would result in the immediate fall of any Cabinet.

When he

note  
69-9412

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

3- #26, from Tokyo, Jan. 28, 9 p.m.

When he spoke of the Japanese demand for reparations for the Japanese killed in Shanghai, I asked him if the Japanese were proposing to pay reparations for the killing of Chinese policemen and damage done by the Japanese mob, to which he replied: that was their intention.

*note  
893.102-Harbin*  
Asked in regard to the movement of troops to Harbin, he said that was temporary but there had been an attack made and looting of Japanese hospitals, newspaper offices, and a number of residences, and that several Japanese had been killed and a number taken into custody by Chinese troops. Asked if it was expected to withdraw them shortly he replied he hoped so.

FORBES

HPD

WSB.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM SENT

Department of State

FZE

1-138

TO BE TRANSMITTED

CONFIDENTIAL CODE

NONCONFIDENTIAL CODE

PLAIN

1-138  
PREPARING OFFICE  
INDICATE WHETHER

Collect

Charge Department

OR

Charge to

\$

Washington, January 29, 1932

midnight

AMERICAN EMBASSY

Tokyo, Japan

28.  
Confidential

Department 25/January 27 2 p.m. and Embassy's 26/January 28

9 p.m.

One. For your confidential information

(1) British Ambassador here has informed me, and I assume that British Ambassador at Tokyo has informed you of British Government's concurrent action.

(2) British Ambassador here has now communicated to me copy of British Government's subsequent instruction to British Ambassador Tokyo, January 29, directing Ambassador to protest strongly action which Japanese forces have taken at Shanghai and to request that Japanese Government restrain those forces. British Foreign Minister expresses hope that American Government will act in a similar sense.

Two. Please confer immediately with British Ambassador and at earliest possible moment after communication by him of his second message communicate to the Minister for Foreign Affairs in close paraphrase but without leaving a copy, the following:  
(Quote text attached.)

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1929 1-138

793.94/3679

793.94/3679  
m. to  
893/102-S  
343.115-  
look at

1 2 3  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DRAFT

*1st*  
*QUOTE*  
According to the best information available to the American Government at the present moment, recent Sino-Japanese negotiations at Shanghai led to a reply on the afternoon of January 28 by the Chinese Mayor of the Municipality of Greater Shanghai to demands which had been presented by the Japanese Consul General, which reply the Japanese Consul General informed the Consular Body was satisfactory. Notwithstanding this, and notwithstanding assurances which had been given by Japanese officials at various points that it was no part of Japan's intention to take unnecessary military action, it appears that, without change in the general situation, nine hours after receipt of the Chinese Mayor's reply Japanese armed forces, at midnight on January 28, initiated an attack upon Chinese residential and business sections at Shanghai. In consequence thereof the peace of the whole port of Shanghai has been greatly disturbed and the business of the port has been interfered with. The safety of the International Settlement has been jeopardized. The American Government is at a loss to discover warrant or justification for these developments, it protests against this use of military force under the circumstances, and it urges that the Japanese Government ~~cease~~ <sup>resulting in</sup> cause its agencies to desist from a course which, ~~causing~~ <sup>resulting in</sup> constant additional loss of life and destruction of property, is adding to the complications of an already delicate situation and is occasioning apprehension to the governments and nationals of every country which has interests in and concern with regard to the region thus affected.

FE/SKH.

Stinson  
SKH

1234

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

Sent to British  
Ambassador I-30-32. S.K.H.  
Telegram from the Secretary of State to the American

Ambassador at Tokyo, January 29, 1932. /3679

(NOTE: In this telegram, the Secretary of State informs the American Ambassador at Tokyo with regard to communications made by the British Ambassador, Washington, on January 29; and instructs the American Ambassador, Tokyo, to confer with the British Ambassador, Tokyo, and to communicate with the Minister for Foreign Affairs, orally, in substance as follows:)

On the basis of the best information in possession of the American Government at the present moment, it appears that recent Sino-Japanese negotiations at Shanghai resulted in there being sent by the Chinese Mayor of the Municipality of Greater Shanghai to the Japanese Consul General, on the afternoon of January 28, a reply to demands which the Japanese Consul General had presented, which reply the Japanese Consul General informed the Consular Body was satisfactory. Notwithstanding this and although assurance had been given by Japanese officials in several instances that Japan did not intend to take unnecessary military action, it seems that without there having been any change in the general situation, Japanese armed forces nine hours later, at midnight on January 28, attacked residential and business sections of the Chinese Municipality at Shanghai. This has greatly disturbed the peace of the whole port of Shanghai and interfered with the business of the port. It has jeopardized the safety of the International Settlement. The American Government is frankly at a loss to find justification or warrant for these activities. It feels constrained to protest against the use made in these circumstances of military force, and it is compelled to urge upon the Japanese Government that it restrain its agencies from a course which, causing constant additional loss of life and property, makes more complicated a situation already delicate and occasions apprehension to the governments and people of every country which has interests in and which feels concern with regard to the area thus affected.

793.94/3679



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

TELEGRAM SENT

1-138

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect  
Charge Department  
OR  
Charge to  
\$

Department of State

Washington,

January 28, 1932.

AMERICAN EMBASSY

JAN 28 32

TOKYO (JAPAN)

URGENT.

CONFIDENTIAL.

Repeat your No. 26, January 28, 9 p.m., to

American Legation, Peiping, for its confidential  
information.

793.94/3679 27  
noted  
393.115 Radio  
at 9:40 p.m. 1/28/32

Stinson

S. K. B.

m.m.H.  
793.94/3679

CR  
JW  
Jan 29 1932 01

RMM  
FE: RSM: EUL

FE

m.m.H.

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1929 1-138

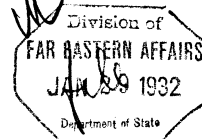
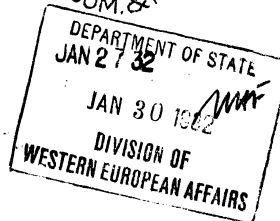
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75



No. 2183

EMBASSY OF THE  
UNITED STATES

Paris, 19 January 1932.



The Honorable

The Secretary of State,  
Washington, D. C.

Sir:

In compliance with the Department's  
instruction No. 293 of August 19, 1930, I  
have the honor to transmit herewith clip-  
pings from the French press, on the subject  
of the Sino-Japanese conflict, covering the  
period from January 12 to January 18, 1932,  
inclusive.

Respectfully yours,

*Walter E. Edge*

Walter E. Edge.

Enclosures.....

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Department of State letter, August 10, 1972  
By Milton O. Lustig NARS, Date 12-18-75

- 2 -

Enclosures (single copy):

Clippings from the following newspapers:

January 12, 1932.

No. 1 - L'ECHO DE PARIS  
2 - L'HUMANITE

January 13, 1932.

No. 3 - L'HUMANITE  
4 - NEW YORK HERALD (Paris)

January 14, 1932.

No. 5 - CHICAGO TRIBUNE (Paris)  
6 - L'HUMANITE  
7 - NEW YORK HERALD (Paris)

January 15, 1932.

No. 8 - L'HUMANITE

January 16, 1932.

No. 9 - L'HUMANITE

January 17, 1932.

No. 10 - L'ERE NOUVELLE  
11 - L'HUMANITE

January 18, 1932.

No. 12 - L'HUMANITE  
13 - NEW YORK HERALD (Paris).  
14 - LA REPUBLIQUE

In quintuplicate.

710.

RTP/jdk

Echo 12

Enclosure No. 1 to Despatch No. 2183 of January 19, 1932.  
From the Embassy at Paris.

Extract from L'ECHO DE PARIS, January 12, 1932.

## L'armée japonaise occupe la porte méridionale de la Mandchourie

Depuis que le Conseil de la Société des Nations a voté la résolution du 10 décembre, croyant aider à la pacification de la Mandchourie, le conflit sino-japonais suit son cours comme si de rien n'était et le dénouement approche. Les troupes japonaises sont sur le point d'entrer à Tchén-Tchaou, ville située sur le chemin de fer de Pékin à Moukden, à l'ouest du fleuve Liao, quartier général de Chiang Su Liang, despote plus ou moins nominal des provinces mandchouriennes.

On se rappelle peut-être que le Conseil s'employa, pendant les derniers jours de la session extraordinaire de novembre-décembre, à aménager une zone neutre autour de ce point important. Mais il ne put convaincre Chiang Su Liang de faire passer ses troupes, vers le sud, de l'autre côté de la grande muraille, ce qui eût enlevé au gouvernement de Tokio tout prétexte de faire avancer ses troupes. Se croyant appuyés par les puissances, ni le gouvernement de Nankin, ni Chiang Su Liang ne se résignèrent à ordonner l'évacuation. Le 23 décembre encore, les ambassadeurs de France, d'Angleterre et des Etats-Unis intervenaient auprès du premier ministre japonais, M. Inukai, pour obtenir de lui *in extremis* qu'il retirât l'armée du général Honjo. Ainsi furent ranimées une fois de plus les velléités de résistance des Chinois.

La Société des Nations a bien mal servi ses protégés. Si elle les avait laissés seuls, en face des Japonais, un de ces compromis sur lesquels la Mandchourie vit et prospère depuis un quart de siècle fût intervenu. Ayant exalté le nationalisme chinois, Genève n'a réussi qu'à rendre indispensables des mesures japonaises plus énergiques et plus radicales. Du nord au sud, la Mandchourie est, en ce moment, purgée des reliquats anarchiques de l'autorité chinoise et comme pour verrouiller solidement la porte, le Japon s'installe à Tchén-Tchaou. Nous n'avons cessé de prédire que tel serait le résultat des efforts de la S. D. N.

En réponse à la démarche franco-anglo-américaine du 23 décembre, le Japon a justifié son attitude dans une déclaration dont Paris, Londres et Washington viennent, officiellement, de recevoir connaissance. Il y est mis en lumière : 1° que les incidents de septembre ont imposé au Japon des responsabilités nouvelles par la dispersion des derniers restes de l'administration chinoise ; 2° que les attaques des bandits contre les troupes japonaises sont mé-

thodiquement organisées par le quartier général de Chiang-Sue-Liang, des officiers et soldats de l'armée plus ou moins régulière se mêlant, dans ce dessein, aux gens sans feu ni loi ; 3° que les diverses bandes comptent maintenant un effectif d'une trentaine de mille hommes et que, du 1<sup>er</sup> novembre au 10 décembre, 1.529 coups de main ont été tentés sur le chemin de fer sud-mandchourien et sa garnison japonaise échelonnée le long de la voie ; 4° qu'il est désormais impossible de distinguer entre soldats et bandits.

Le 10 décembre, le Japon réserva formellement son droit d'agir contre les éléments de désordre et n'accepta la résolution de ce jour qu'à cette condition. En conséquence, il affirme que l'occupation de Tchén-Tchaou n'est pas contraire à ses engagements internationaux. Inutile de dire que les autorités chinoises ne l'entendent pas de cette oreille : par lettre du 26 décembre, elles en ont appelé à M. Briand et au Conseil. Mais dans un accusé de réception du 29 décembre, M. Briand leur fait simplement déclarer que la France, l'Angleterre et les Etats-Unis ont déjà pris les devants à Tokio. Le Conseil attendra le 25 janvier, ouverture de la session ordinaire d'hiver, pour examiner de nouveau l'affaire — affaire qui, à ce moment-là, aura été liquidée par la force depuis plus de trois semaines.

Qu'est-il advenu des foudres de lord Cecil, de l'ultimatum follement adressé au Japon en octobre ? La défaite de Genève est complète et Genève n'a même pas la consolation de pouvoir dire que, du même coup, le droit fut frappé.

PERTINAX.

Enclosure No. 2 to Despatch No. 2183 of January 19, 1932.  
From the Embassy at Paris.

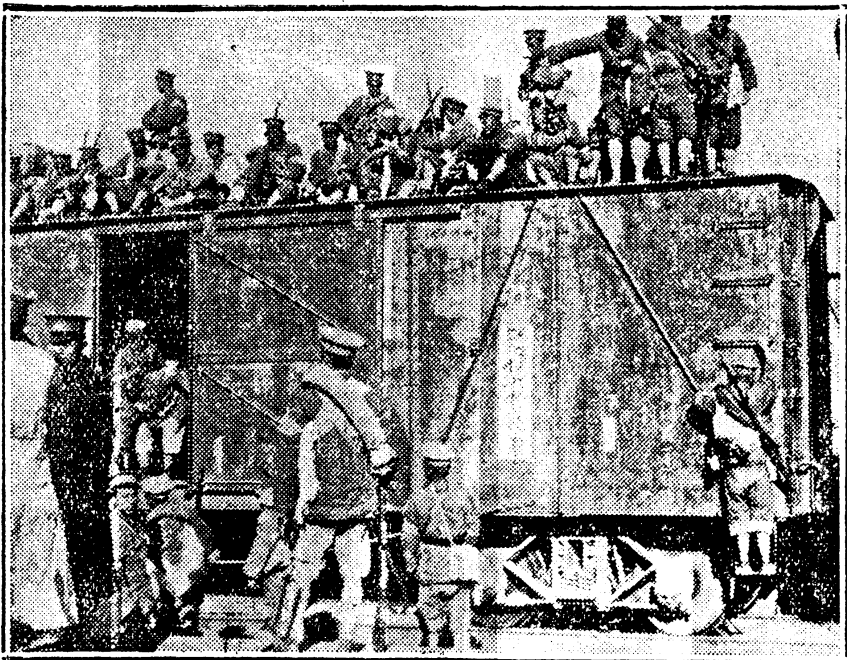
Extract from L'HUMANITE, January 12, 1932.

Contre la guerre impérialiste en Mandchourie  
Contre l'intervention de l'impérialisme français  
en Chine du Sud  
Pour la défense de l'Union Soviétique

## GRAND MEETING

à la Grange-aux-Belles  
DEMAIN SOIR, A 20 H. 30

Orateurs : SEMARD, MONMOUSSEAU, PERAU



La guerre en Extrême-Orient. Les troupes du général Tchang Hsu Liang au moment de la marche sur Chin-Chow

(Voir nos informations en troisième page.)

### DÉFENDONS NOTRE PATRIE SOCIALISTE

**L'impérialisme français  
dirige les provocations  
qui doivent  
déclencher la guerre  
contre l'Union soviétique**

L'ensemble des événements qui se déroulent à l'heure actuelle montre l'aggravation du danger de guerre antisoviétique, au moment où la France impérialiste a déjà engagé effectivement la guerre contre les Soviets chinois et que ses avions survolent journellement les provinces méridionales. Et à cette aggravation du danger correspond l'intensification de la préparation morale de l'agression contre l'Union Soviétique dans toute la presse de l'impérialisme français. Les extraits que nous avons publiés hier soir sont très significatifs de la volonté des impérialistes de précipiter l'éclatement de la guerre.

L'affaire Vanek fut une affaire ourdie par les agents français.

Les événements de Kharbine ont été préparés de longue main à Paris et Tokio.

L'avance des troupes japonaises sur Kharbine et le bombardement de Vou-Chang et de Jouchori, villes sur l'Est chinois, par les avions japonais montrent que l'exécution du plan des impérialistes, que nous dénoncions récemment, de s'emparer de l'Est chinois, de chasser les fonctionnaires soviétiques de ce chemin de fer et de provoquer la guerre antisoviétique, est commencée.

#### La provocation de Kharbine

Des renseignements nous parviennent sur ce qui s'est passé le 2 et le 3 janvier à Kharbine.

Les gardes-blancs russes ont organisé le 2 janvier — suivant les directives de Tokio conformes au plan élaboré par les conjurés de Paris et l'état-major français — une manifestation dans la grande artère de la ville et dirigée contre la partie de l'administration chinoise qui ne se plie pas encore aux volontés de l'impérialisme nippon et contre laquelle les Japonais mènent une campagne systématique. La manifestation se prolongea de 7 heures du soir à 2 heures du matin. Une grande partie des manifestants étaient armés.

Des coups de feu furent échangés entre les gardes-blancs et la police chinoise. Les gardes-blancs désarmèrent les policiers. Des discours furent prononcés, condamnant l'administration chinoise et appelant la « protection » des Japonais.

Un fait important est à signaler : les automobiles des fonctionnaires du consulat japonais qui vinrent sur place circulaient, gardées par les russes-blancs et accueillies par des « hurra ! ».

Le 3 janvier les manifestations recommencèrent. Y participaient des groupes de gardes-blancs et l'organisation de la jeunesse fasciste de l'émigration (ils s'appellent « Les Mousquetaires »). Des bagarres eurent lieu. Les policiers chinois tirèrent en l'air. Un policier et un garde-blanc furent tués ; neuf policiers furent blessés.

Les manifestants se rendirent devant le consulat japonais. Des cris antisoviétiques fusèrent de la foule. Dans plusieurs autres quartiers de la ville continuèrent les manifestations des gardes-blancs. On prépare un pogrome contre les Chinois et les citoyens soviétiques.

A la tête des canailles russes-blancs étaient les hommes de confiance de Kouzmine, le rédacteur de l'organe La Parole Russe et le pope Nestor.

Dans leur canaillerie les jeunes fascistes n'ont été armés et avoir tiré sur la police. Ils accusèrent des komsomols d'avoir tiré, alors que les manifestants japonais et antisoviétiques étaient tous des émigrés.

#### Un état-major antisoviétique

Dans les cercles des gardes-blancs on parle ouvertement de l'existence d'un « état-major spécial » destiné à la direction d'une attaque de grande envergure qui est déjà techniquement au point. Cet « état-major » est en liaison directe avec le consulat japonais et l'attaque doit donner aux troupes nippones le prétexte de l'occupation de Kharbine.

Ainsi donc, tout fut bien préparé et d'un moment à l'autre il faut s'attendre à l'entrée des Japonais à Kharbine. Ce sera le signal des raids des gardes-blancs contre le consulat soviétique et l'administration du chemin de fer de l'Est chinois qui tombera entre les mains du Japon. La provocation à la guerre contre l'U.R.S.S. exige la réalisation de ce plan qui, répétons-le, est inspiré en premier lieu par Paris.

#### Une nouvelle offensive japonaise

Parallèlement à cette préparation directe de l'agression antisoviétique, le Japon poursuit le renforcement de sa position en Mandchourie qui doit être la place d'armes à l'Est contre l'U. R. S.

La note américaine au Japon a donné l'occasion à l'impérialisme français, en ne s'associant pas — et pour cause — à la démarche intéressée de Washington, de manifester sa volonté de pousser le Japon toujours plus avant dans l'aventure antisoviétique.

Et dès hier, des dépêches de Tokio signalaient que les troupes japonaises se préparent à agir dans le Sud de la Mandchourie contre les « bandits ». C'est une nouvelle offensive en préparation qui pourra porter l'armée japonaise au delà de la Grande-Muraille, en territoire chinois.

On mande en effet de Moukden que 13 trains destinés à transporter des troupes sont prêts à quitter la ville à bref délai. L'envoi de renforts du Japon est envisagé par le cabinet Inukai qui reste en fonctions.

D'ailleurs de sanglants combats se déroulent autour de King-Tchéou entre les troupes japonaises et les détachements de partisans antiimpérialistes.

Avant-hier, un détachement de cavalerie, commandé par le lieutenant-colonel Koga, qui patrouillait à l'ouest de Tchintchéou, a été cerné par plusieurs milliers de Chinois.

Les Japonais ont succombé sous le nombre : le lieutenant-colonel, 4 officiers et 15 autres militaires ont été tués ; on compte, en outre, 20 blessés.

Des renforts partis de King-Tchéou ont également été cernés et n'ont pu rejoindre le détachement.

D'autres renforts et des avions ont été envoyés de King-Tchéou.

Par ailleurs on apprend que les cercles commerciaux chinois sont extrêmement inquiets du boycottage qu'a commencé le Japon à Shanghai, Canton, Fou-Tchéou et les autres ports chinois. Les bâtiments de guerre japonais ont leurs canons braqués sur les villes importantes du littoral.

La situation est considérée comme extrêmement grave et l'on s'attend à de violentes manifestations antiimpérialistes, car le mouvement révolutionnaire prend un essor qui inquiète fort les forçons impérialistes.

Les événements se précipitent. Nous devons accentuer notre lutte contre notre propre impérialisme, pour la défense de l'U. R. S. S., pour le soutien de la révolution chinoise, contre l'intervention des puissances qui veulent se partager la Chine.

Il faut que le prolétariat français, au cours de tous les combats de classe, sur tous les terrains où l'impérialisme français peut être affaibli, empêche le transport de troupes en Extrême-Orient et des armements et munitions qui sont fournis par la France au Japon.

M. MAGNIEN.

Huma 13

Enclosure No. 3 to Despatch No. 2183 of January 19, 1932.  
From the Embassy at Paris.

Extract from L'HUMANITE, January 13, 1932.

DÉFENDONS L'U. R. S. S. ET LES SOVIETS CHINOIS !

## En vue d'un prochain combat d'importantes troupes françaises et japonaises sont concentrées à Tien-Tsin

Toutes les conditions sont réunies par les impérialistes pour déclencher la guerre contre l'Union Soviétique, écrivions-nous récemment, en montrant quel rôle doivent jouer pour amorcer l'agression les provocations qui se succèdent : l'attentat avorté de Moscou, les agissements des gardes blancs à Kharbine, la politique des agents des puissances du Kuomintang, l'appui donné par tous les impérialismes à l'occupation de la Mandchourie par le Japon, l'immonde campagne de la presse française et étrangère, l'organisation renforcée des armées des Etats vassaux de la France sous la direction de l'Etat-Major français, les préparatifs du partage de la Chine, etc.

« De part et d'autre de l'immense Russie rouge qui travaille, par une propagande sournoise et criminelle, à étendre sans cesse les rouages de sa gangrène bolchevique, le Japon est à l'Asie ce que la France est à l'Europe, la dernière citadelle de la civilisation menacée », écrivait avant-hier le torchon du parfumeur. C'est là l'exposé simple, précis, cynique des plans d'encercllement de l'Union Soviétique, de guerre contre les ouvriers et les paysans édifient la société socialiste.

### Les idées de la S. D. N.

Ces plans, élaborés par l'impérialisme français sont enregistrés et sanctionnés par la Société des Nations, cette institution de guerre impérialiste et de contre-révolution.

La Gazette Polska publia récemment un article leader qui illustre bien les desseins des impérialistes.

Ce journal laquais, écrit que l'occupation de King-Tchéou par les Japonais et même l'avance ultérieure des troupes nippones en Chine du Nord et en Mongolie correspond aux aspirations de la Société des Nations. « Après la liquidation du « banditisme » en Mandchourie, écrit la Gazette Polska, va régner dans cette région la vraie paix, dans l'esprit de *pax-japonie* (la paix japonaise) et ceci signifie la réalisation à cent pour cent des idées que poursuit la S. D. N. ».

Cette « sincérité », si elle confirme notre jugement de l'institution des bords du Léman, donne sa juste valeur à la politique impérialiste et antisoviétique du parti de M. Blum et de son journal qui ne cessent de prôner la S. D. N., regrettant seulement qu'elle n'ait pas à sa disposition la force nécessaire à la réalisation de ses idées (Grumbach).

### ... et leur réalisation par le Japon

La guerre contre l'U.R.S.S., le dépècement de la Chine sont les préoccupations premières de la S.D.N. Le Japon, avec le soutien actif de la France, a reçu mandat d'en entamer la réalisation.

Il occupe presque toute la Mandchourie. Les événements de Kharbine vont précipiter l'occupation de cette ville par les troupes nippones. Et l'attaque contre le chemin de fer de l'Est chinois suivra, qui doit, dans les desseins de Paris, déclencher le conflit avec l'U.R.S.S. Tous les préparatifs de guerre sont faits en ce sens en Mandchourie.

Et, fort du mandat de la S.D.N., l'impérialisme de l'empire du Soleil levant se prépare à envahir la Mongolie intérieure — d'abord. On apprend, en effet, que le général Honjo vient de donner l'ordre aux forces des bases de Kailou et Tchao-Jan, comprenant 4.000 hommes, de se déplacer en direction de Jekhe (Mongolie intérieure).

D'autre part, un câble de Tien-Tsin signale que l'on se montre très inquiet dans cette ville du développement de la situation. On prévoit

que Tien-Tsin sera à bref délai le centre d'une prochaine bataille entre Chinois et Japonais. Cette bataille serait le déclenchement de l'action commune des puissances contre les Soviets chinois, pour le partage de la Chine.

Les garnisons étrangères sont alertées. La concession japonaise, où sont concentrés près de deux régiments de troupes, est entourée de barricades et l'on y établit des retranchements.

Par ailleurs, le gouvernement japonais a décidé de restaurer le port et la forteresse de Port-Arthur pour en faire une base navale. Des ingénieurs et un groupe d'officiers sont sur les lieux.

Actuellement, une escadre japonaise, composée de trois croiseurs et de sept destroyers, en service au large des côtes de Mandchourie, se trouve à Tsing-Tao.

A Taky, port desservant Tien-Tsin, se trouvent également des croiseurs et torpilleurs et un porte-avions avec 50 avions.

### Déplacement de troupes britanniques

Et pendant que les troupes de l'impérialisme français concentrées à la frontière du Tonkin exécutent des incursions préliminaires dans le Yunnan et le Kouang-Si, l'impérialisme britannique poursuit hâtivement ses préparatifs d'intervention. Après un accord entre Tchang Shue Liang et Lempson, ambassadeur d'Angleterre en Chine, un Anglais a été désigné comme directeur de la ligne Peijsing-Moukden. Et les autorités britanniques vont envoyer des troupes à Louan-Tchéou, Loun-Bin, Tchanli pour la « défense des intérêts britanniques ».

Comme on voit, l'intervention des puissances en Chine pour se partager le pays n'est plus depuis longtemps à l'état de préparation, mais est bien entrée dans la phase active des actions militaires.

La guerre contre l'U.R.S.S. est prévue pour le printemps. La guerre contre les Soviets chinois est commencée.

Il faut accentuer la lutte de masse contre ces crimes abominables. La gravité de la situation ne souffre aucun retard.

M. MAGNIEN.

### NEUF RÉGIMENTS DU KUOMINTANG PASSENT A L'ARMÉE ROUGE CHINOISE

Pendant que les masses laborieuses de Mandchourie continuent leur résistance héroïque contre l'armée japonaise, les impérialistes et leurs agents du Kuomintang sont de plus en plus menacés par la colère grandissante des masses de l'intérieur de la Chine et par l'accroissement constant de l'influence communiste.

Le mouvement de grève de Shanghai et autres ports chinois s'étend rapidement. 11.500 travailleurs de Shanghai se sont mis en grève en solidarité avec leurs camarades en lutte depuis plusieurs jours. Tous les moyens de communication de cette ville sont paralysés. Le mouvement de grève est sous le contrôle des syndicats révolutionnaires.

L'armée rouge chinoise de la province de Kiangsi continue son avance sur Nanchang. Neuf régiments de l'armée de Nanking se sont mutinés et ont passé à l'armée rouge. Un télégramme de Shanghai au New-York Times déclare :

Les forces communistes profitent des événements actuels pour démoraliser les armées du Kuomintang. Des troupes, envoyées contre les communistes de la province de Kiangsi, se sont mutinées et ont rejoint l'Armée rouge du Houpei, qui contrôle maintenant 60 des 70 districts de cette province et encercle graduellement Hankéou et Voutchang.

Le New-York Times prévoit un soulèvement révolutionnaire parmi les armées du Kuomintang.

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

NY.H. 13

Enclosure No. 4 to Despatch No. 2183 of January 19, 1932.  
From the Embassy at Paris.

Extract from NEW YORK HERALD, January 13, 1932.

#### Japan's Pretensions.

Exaggeration should be avoided in seeking to interpret Mr. Stimson's warning to Japan in reference to her doings in Manchuria. The United States did nothing more than to draw attention to its own treaty rights in that country and to give notice that they must be respected.

It is inevitable that such a warning as our state department has given should centre more closely the attention of the world on the arbitrary and arrogant nature of Japan's proceedings in Manchuria. This may be intensified by the character of her comment on the American note. As might have been expected, it is anything but candid. She advances the utterly untenable assertion that Manchuria is not in reality a subordinate part of the ancient Chinese empire, and that therefore the "nine-power" pact of 1922 which guarantees the territorial integrity of the latter is not here applicable. This petty employment of chicanery will not benefit Japan. She professes also to have taken only the minimum of permissible measures for the preservation of her legitimate rights. At the same time, whether officially authenticated or not, there has been an intimation at Tokio that she may be "forced" (*sic*) to land marines in the Middle Kingdom itself or blockade the Chinese ports or take armed possession of Tientsin, which is within the precinct of the Great Wall, in order to put a stop to the boycott of Japanese trade. This is effrontery carried to the highest geometric expression. Since when in international law has it been recognized that one government may enter another government's territory by violence and punish or put constraint and restraint upon its subjects because they choose not to buy the goods offered them by the subjects of the former?

It would be equally reasonable to say that Japan might by force prescribe or dictate public opinion in China. That certainly would greatly simplify international manners, but it would also complicate their ultimate consequences. If Japan could set such a precedent, many equally strange things might happen in future in the international field.

If the Tokio government has had any such secret design, the warning from the United States may give it pause—a salutary pause tending to moderate reckless presumption.



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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

CT.17

Enclosure No. 5 to Despatch No. 2183 of January 19, 1932.  
From the Embassy at Paris.

Extract from CHICAGO TRIBUNE, January 14, 1932.

### *Looking At Manchuria*

As a device for the suppression of bandits the bombing of towns in Manchuria by Japanese airmen is peculiar. It puts rather a strain upon the official theory that the military proceedings in that region do not constitute war. In fact, like the Cheshire cat, that theory has by this time pretty thoroughly faded out, leaving only its smile, a sardonic smile enjoyed only in Tokyo.

In the first days of the Manchurian operations the theory that Japan was engaging in international police measures for the protecting of its nationals and their lawful concerns from Chinese banditry and lawlessness was plausible. It put a brake upon League action and upon the pressure of Governments controlling the League. But by this stage the intentions of Japan can hardly be misunderstood by the most complaisant observer. She is taking over the control

Southern Manchuria and by force of arms. She has chosen a favorable moment when the European Governments, and even that of pacific America, are preoccupied with problems which prohibit the employment of any such measures as they might be disposed to take against Japan under the terms of the League Covenant or the dubious implications of the Kellogg-Briand Treaty. We doubt they would resort to such measures in any case, but the Japanese Government has chosen a time for action which precludes serious interference.

Whether the American onlooker is inclined to view Japanese control over Manchuria as of indifference or concern to the United States, no sophistry or diplomatic euphemism is likely to blind him to the fact that the Japanese boot has kicked through the parchment safeguards against war and aggression. Japan is a signatory of the treaty which "outlaws" war as an instrument of policy. In Manchuria Japan is using war as an instrument of policy. Chinese disorder and governmental irresponsibility offer her pretext, even justification, for using force. "Good may come of it, even to China in the long run. We are not disposed to prophecy, but the fact remains that one of the great nations of the world, member of the League of Nations, signatory to the Nine Power Treaty of Washington for the peaceful adjustment of differences and signatory to the Kellogg-Briand Treaty outlawing war as an instrument of policy, has turned her back upon them all and taken over the control of a great and rich territory belonging to a co-member of the League and a co-signatory of the treaties which are supposed to insure all against the use of force. China protests, China demands, China resists. But the Japanese bayonet has ripped the paper bulwarks of her international defense to shreds.

The American people will not miss the lesson.

Hum 14

Enclosure No. 6 to Despatch No. 2183 of January 19, 1932.  
From the Embassy at Paris.

Extract from L'HUMANITE, January 14, 1932.

Un appel du Comité central du Parti communiste

## TRAVAILLEURS ! MOBILISEZ VOS FORCES CONTRE L'IMPÉRIALISME FRANÇAIS QUI PRÉPARE LA GUERRE ANTISOVIÉTIQUE

La guerre commencée en Extrême-Orient, dresse devant le prolétariat le péril immédiat d'une nouvelle boucherie mondiale !

Avec l'aide de l'impérialisme français et de la Société des Nations impérialistes, les troupes japonaises viennent d'occuper la Mandchourie.

Les impérialistes japonais ne dissimulent point leur but criminel. Dans un mémorandum, présenté par un de leurs dirigeants, le baron Tanaka, ils ont clairement affirmé, l'inévitabilité de la guerre contre la Russie. Par le fer et par le feu les militaristes de Tokio, alliés de ceux de Paris, ont mis à exécution leur plan de dépeçage de la Chine et braquent leurs canons contre l'Union soviétique Socialiste.

Par ces louches manœuvres et ses provocations, l'impérialisme français soutient son allié japonais, prépare sa propre intervention et s'efforce de déclencher la guerre contre l'U.R.S.S.

En Indochine, il écrase les ouvriers et les paysans sous la terreur. Dans les rues de Damas il fusille par dizaines les Syriens protestant contre sa domination qu'il tente de camoufler sous une odieuse caricature d'élections. Dans le Sud Marocain, il affame et exterme sans pitié des tribus entières. Partout il s'affirme réacteur sanglant et fauteur de guerre hypocrite.

### L'impérialisme français veut provoquer la guerre

Sous le couvert de commissions d'enquête, des membres de l'Etat-Major français partent en Chine. Les agents radicaux-socialistes de l'Etat-Major ont déposé à la Chambre un plan d'envoi de corps expéditionnaire pour « rétablir l'ordre » et « mettre en valeur » les provinces du Yunan et du Kouangsi, convoitées depuis longtemps par l'impérialisme français. Des troupes françaises envoyées à la frontière tonkinoise sont intervenues à plusieurs reprises contre les populations des territoires de la Chine méridionale et ont occupé les territoires chinois.

En même temps qu'il négocie hypocritement un pacte de non-agression pour donner le change et endormir l'attention de la classe ouvrière, qu'il multiplie ses déclarations pacifiques sur le désarmement, le gouvernement français a fomenté à Moscou la plus ignoble des provocations : un attentat contre l'ambassadeur du Japon, préparé par l'intermédiaire du diplomate tchécoslovaque Vanek, devait fournir le prétexte de la déclaration de guerre. La tentative n'échoua que grâce à la vigilance de l'Etat prolétarien, que grâce à la constante et ferme politique de paix de l'Union soviétique. Mais cela ne désarme pas l'impérialisme français. Il est en train de fomenter de nouveaux Serajevo pour hâter la guerre antisoviétique.

A Kharbine, il se sert des gardes-blancs russes qui, d'après ses directives, fomentent des complots, provoquent des incidents devant hâter le déclenchement de l'agression antisoviétique.

CHACUN CUVRIER, CHACUN TRAVAILLEUR DOIT COMPRENDRE L'IMMINENCE DU DANGER !

L'invasion de la Chine, l'aggravement des conflits entre impérialismes, en particulier entre le Japon et les Etats-Unis, et les manœuvres provocatrices de l'impérialisme français sont le prélude d'une nouvelle guerre mondiale. C'est surtout le commencement de la guerre contre les régions soviétiques de Chine, qui groupent plus de 60 millions de travailleurs et contre la Russie soviétique.

**Camarades, alerte !  
la nouvelle guerre mondiale  
est proche !**

Dressez-vous contre les phraseurs « pacifistes » qui veulent vous faire croire que l'on peut arrêter la guerre par de belles paroles et des « conféren-

ces de désarmement » organisées par les impérialistes et leurs valets, en vue de duper les masses. Ces politiciens de « gauche » à la Briand et les chefs socialistes sont les pires ennemis de la lutte véritable contre la guerre. Bien loin de mener la lutte contre l'impérialisme français fauteur de guerre dont ils sont les agents, ils redoublent leurs attaques et leurs calomnies contre l'Union soviétique qui seule mène la politique conséquente de paix. Le « pacifisme » bourgeois et socialiste est le paravent derrière lequel la socialdémocratie participe activement à la préparation de la guerre, et dirige cette préparation.

Seule l'action décidée du prolétariat sous la direction de son parti de classe, le Parti communiste, peut empêcher un nouveau carnage mondial et assurer la défense de l'Union soviétique, patrie de tous les exploités et opprimés du monde, où les ouvriers et les paysans au pouvoir construisent magnifiquement la société socialiste.

### A l'appel du Parti communiste renforcez votre lutte contre la bourgeoisie

Ouvriers des mines et du textile du Nord, métallurgistes de la Région parisienne, marins, dockers et cheminots, lutez contre la diminution de vos salaires ! Chômeurs lutez pour l'assurance-chômage complète aux frais du patronat et de l'Etat !

Paysans ruinés par la crise refusez de payer en impôts qui servent à préparer la guerre.

Par cette lutte de tous les instants, mobilisez vos forces pour opposer un front invincible à la bourgeoisie, pour vous dresser efficacement contre la préparation à la guerre et pour être capables de transformer la guerre impérialiste de demain en guerre civile libératrice.

Dans les usines, dans les chantiers, dans les salles de réunion, sur les places publiques, rassemblez-vous pour protester contre la guerre impérialiste et contre-révolutionnaire !

Pour le retrait immédiat des troupes françaises de Chine et d'Indochine !  
Pour le retour immédiat des navires de guerre !  
Pour empêcher les transports de troupes, d'armes et de munitions !  
Pour le soutien des Soviets chinois !  
Pour l'indépendance de l'Indochine !  
Pour la défense de l'Union soviétique !

Le Comité Central du P.C.F.

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

NYH 14

Enclosure No. 7 to Despatch No. 2183 of January 19, 1932.  
From the Embassy at Paris.

Extract from NEW YORK HERALD, January 14, 1932.

**The 'Cocky' Japanese Press.**

The spirit in which the American, British and French communications about Manchuria have been received in Japan is anything but good-tempered. The Japanese had some reason to fear that these comments on their operations would stiffen Chinese resistance and make a serious clash unavoidable; but when the Tokio press describes them as "impertinent" it is giving the Japanese a wrong impression of American and other rights in this situation. The assumption back of the use of the word "impertinent" is that Manchuria is Japan's own private hunting ground and that what she chooses to do in it, or with it, is her business and no one else's.

It is just because this assumption is at the back of so many Japanese minds that the Japanese government has taken little pains to present a case to the world or to define the ultimate objective of so much military action and of such complete control over Manchuria's political, financial and economic life. Except for the special rights that go with the Japanese operation of railways and mines, America, Great Britain and France have every right in Manchuria under treaties with China, that Japan possesses. Japan is furthermore pledged to these and other nations under the nine-power treaty to acquire no privileges in China to the disadvantage of others.

Our own government's first concern in this whole Far-Eastern affair is with American rights. If the Japanese press sees "impertinence" in this it is evidence that the Japanese perspective as to Manchuria is strangely warped by Japanese covetousness and Japanese arrogance.

Hum. 15

Enclosure No. 8 to Despatch No. 2183 of January 19, 1932.  
From the Embassy at Paris.

Extract from L'HUMANITE, January 15, 1932.

DEFENDONS L'U.R.S.S.  
ET LES SOVIETS CHINOIS

**L'impérialisme français  
« forme » un gouvernement  
du Sud de la Chine  
pour se faciliter l'occupation  
des provinces méridionales**

Des combats sanglants continuent à se dérouler dans le sud de la Mandchourie, surtout dans la région de King-Tchéou. Mais poursuivant l'exécution de leur plan, les troupes japonaises se dirigent vers la Mongolie. En plus de l'envoi de forts détachements à la frontière de la Mongolie intérieure que nous avons signalé avant-hier, on apprendait hier que trois brigades nippones se dirigent de King-Tchéou vers Jehol, centre important qui n'est pas encore occupé par les Japonais et qui se trouve aux portes de la Mongolie.

C'est alors que les traîtres du Kuomintang proposent de transformer la Mandchourie en « zone neutre internationale ».

Par toute leur politique intérieure et extérieure les mercenaires du Kuomintang et de l'impérialisme préparent le partage de la Chine. Par leur attitude ils faciliteront l'invasion et l'occupation de la Mandchourie par l'impérialisme japonais. Déjà avant les événements mandchouriens le gouvernement nankinois a vendu la Chine aux groupements impérialistes.

Cependant la proposition de « neutraliser » la Mandchourie est une telle infamie qui est unique même dans la pratique de la politique extérieure du gouvernement nankinois. Cette proposition signifie en essence le renoncement de la clique nankinoise à la Mandchourie. Nankin renonce à la Mandchourie et essaye de trouver de cette façon un langage commun avec les envahisseurs.

Le Kuomintang n'est plus actuellement en état de diriger la Chine, tant politiquement qu'économiquement. La fuite des nouveaux ministres à Shanghai est une preuve que tout est prêt pour le partage de la Chine. Le trésor est vide. Les rentrées financières n'arrivent même pas à suffire aux dépenses de l'armée de mercenaires envoyée périodiquement contre l'armée rouge chinoise et dont les soldats passent avec armes et bagages aux Soviets.

Et pour faciliter la prise des provinces méridionales par l'impérialisme français, un nouveau gouvernement du sud-ouest vient de se constituer. Le prétexte invoqué est la menace du retour de Tchang-Kai-Shek au pouvoir. Mais ce gouvernement sera « indépendant » et prendra sous son contrôle les provinces du Kouangtong, du Kouangsi, du Yunnan, et du Kouintchou. Dans ce nouveau gouvernement laquais entreront les partisans civils et militaires du général Tchen-Tsi-Tan, qui commande les troupes de Canton qui luttent contre l'armée rouge.

La constitution de ce gouvernement ne s'est effectuée que sous l'ingérence de l'impérialisme français et il faut s'attendre, à bref délai, à des événements importants dans ces provinces convoitées par les forban de Paris.

Il faut donc redoubler de vigilance et renforcer la lutte de masse contre l'impérialisme français suivant les directives nettes et de la plus grande importance du comité central de notre Parti, que l'Humanité a publiées hier.

M. MAGNIEN.

Enclosure No. 9 to Despatch No. 2183 of January 19, 1932.  
From the Embassy at Paris.

Extract from L'HUMANITE, January 16, 1932.

## Les gardes-blancs annoncent de nouveau l'agression pour le printemps

L'Union Soviétique, menacée plus que jamais, continue à poursuivre sa politique conséquente de paix. Résistant et dénonçant toutes les provocations, l'U. R. S. S. entend faire tout son possible pour éviter la guerre que les impérialismes, sous la direction de l'impérialisme français, cherchent à déclencher contre l'Etat ouvrier.

Les provocations des gardes blancs, soudoyés par Paris, à Kharbine, venant après la découverte de la préparation d'un nouveau Serajevo à Moscou, ont pour but de précipiter l'occupation de Kharbine et du chemin de fer de l'Est-Chinois par les troupes japonaises et préparer le terrain pour l'agression antisoviétique sitôt que les froids se dissiperont.

Devant la menace grandissante, comme nous l'avons signalé, l'ambassadeur de l'U. R. S. S., à Tokio, notre camarade Troianovsky, a rappelé au chef du gouvernement japonais de guerre à outrance tout le danger que constituaient ces provocations pour la conservation de la paix.

Troianovsky, au nom du gouvernement soviétique, demanda que la plus grande vigilance soit manifestée à l'égard de « l'activité des éléments antisoviétiques qui, profitant de la situation créée par l'occupation de la Mandchourie, essayent de provoquer une tension dans les rapports entre l'U. R. S. S. et le Japon. »

Mais Inukai, le chef du parti militaire-fasciste *Seiyukai*, répondit ne pas connaître les faits et se borna à affirmer que « le gouvernement japonais avait en considération l'existence des intérêts considérables de l'U. R. S. S. en Mandchourie septentrionale », et que les troupes japonaises n'occuperaient pas Kharbine « à moins que les intérêts des ressortissants japonais soient menacés ».

L'impérialisme japonais a ainsi éludé la question. En réalité l'état-major japonais est prêt à se rendre maître de Kharbine et de l'Est-Chinois, à chasser la direction mixte sino-soviétique du chemin de fer, à chasser les fonctionnaires soviétiques et cela avec l'aide des gardes blancs russes.

### Un « Etat tampon »

Et l'impérialisme français pousse de toutes ses forces à ce que cela soit réalisé le plus vite possible. En accord avec Paris, Tokio prépare la création d'un « Etat tampon » (d'une place d'armes, à mieux dire) situé au sud des territoires soviétiques d'extrême-orient et compre-

nant les trois provinces mandchoues et la Mongolie intérieure. Mais c'est là le plan préliminaire et les événements qui vont se précipiter auront pour but d'étendre cet « Etat tampon » à la Mongolie extérieure soviétisée, à la république Bouriate-Mongole et à la république soviétique d'Extrême-Orient. C'est le plan de Tanaka.

C'est aussi le plan des gardes blancs russes, ouvertement exposé par *La Renaissance* du général Miller, sur les indications de l'état-major français.

« Le front de la guerre contre les bolcheviks ne passe pas, par les limites géographiques de l'ancienne Russie, écrit ce journal... Si, pour une cause ou pour une autre, telle ou telle région de Russie pouvait se libérer des bolcheviks... cela servirait les intérêts étatiques de la Russie. »

Cela signifie que les canailles russes-blancs sont les agents de la France et du Japon pour aider à ce que la Mongolie et l'Extrême-Orient soviétique passent dans les mains de l'impérialisme japonais. Et tous les complots et provocations des bandes fascistes de Kouzmine et Semenov montrent quelle activité est déployée par ces coquins pour que les projets impérialistes de guerre contre l'U.R.S.S. soient réalisés.

### La guerre pour le printemps

Le danger de guerre antisoviétique est imminent. Dernièrement, les *Dernières Nouvelles* de Milioukov annonçaient le printemps prochain comme « saison politique très intéressante ». Hier, le correspondant de Kharbine de cette feuille blanche répétait :

« ...Il y a beaucoup de chances qu'au printemps ou à l'été il se produise sur l'Est chinois des événements analogues à ceux de 1929 ».

De telles paroles doivent secouer nos camarades du Parti qui sous-estiment encore le danger de guerre antisoviétique. Cette sous-estimation est la conséquence directe de l'influence bourgeoise qui emploie tous les moyens pour endormir la vigilance du prolétariat et mieux préparer l'attentat contre notre patrie socialiste.

Si la provocation Vanek a échoué à Moscou, si les provocations du Japon et des agents russes-blancs de l'impérialisme français en Mandchourie n'ont pas réussi jusqu'à présent, grâce à la politique de paix de l'U.R.S.S., d'autres prétextes sont en préparation pour déclencher le conflit recherché.

Il faut sans relâche démasquer les provocations criminelles de l'impérialisme français, montrer aux larges masses l'imminence de la guerre antisoviétique et le crime de la guerre commencée contre les soviets chinois. Renforçant la lutte contre l'impérialisme français, il faut démontrer aux travailleurs de France que pour empêcher le nouveau carnage mondial en préparation, pour assurer la défense de l'U.R.S.S. et de la révolution chinoise, seule l'action révolutionnaire du prolétariat sera efficace. — M. MAGNIEN.

Enclosure No. 10 to Despatch No. 2183 of January 19, 1932.  
From the Embassy at Paris.

Extract from L'ERE NOUVELLE, January 17, 1932.

## Les projets du Japon en Mandchourie

Ere Nouvelle 1/17

La Mandchourie est loin, et nous avons, je le sais, des soucis plus pressants. Mais les intérêts des nations sont aujourd'hui à tel point entrecroisés qu'un événement politique peut avoir, même à grande distance, des conséquences fatales. Faut-il rappeler le meurtre, en une bourgade des Balkans, de cet archiduc autrichien, qui passa presque inaperçu en France, tous nos journaux étant remplis par la chronique d'un procès qui déchaînait les passions des partis ? Qu'en est-il résulté cependant, un mois plus tard ? La guerre européenne.

Le Japon continue sa conquête, tout en ne cessant de donner aux diplomates étrangers l'assurance qu'il n'est animé « d'aucune convoitise territoriale ». En même temps, une dépêche nous annonce qu'un gouvernement indépendant sera formé en Mandchourie, « sous le protectorat du Japon ». Ce gouvernement aura sous sa juridiction non seulement les trois provinces mandchoues de Moukden, Kiin et Heiloung, mais aussi celle de Tchal, en Mongolie, et « d'autres pays mongols ». Il pourrait entrer en fonctions dès le début de février. La commission d'enquête de la Société des Nations, qui n'est pas encore prête à partir, trouverait donc, en arrivant sur les lieux, un nouvel ordre établi, et pourrait revenir, sans autre enquête, par le train qui l'aurait amenée.

Cette dépêche nous vient de Chang-hai, par l'intermédiaire de l'agence Reuter, et indique comme origine de son information « des nouvelles de source chinoise venant de Moukden ». La ruse est un peu grosse. A qui ferait-on croire qu'il existe à Moukden, ville occupée actuellement par les Japonais, des Chinois capables d'exprimer une opinion indépendante, et de la transmettre, par delà les lignes de l'armée japonaise, jusqu'au territoire chinois, d'où elle irait sans arrêt, à mille kilomètres de distance, alerter les télégraphistes de Chang-hai ?

Ce n'est pas la première fois que des rumeurs de ce genre sont complaisamment soumises à l'examen de l'Europe et de l'Amérique. Peu de temps après le coup de force sur Moukden, on y trouvait déjà des Chinois, les mêmes peut-être, pour souhaiter le retour en son pays d'origine du ci-devant empereur de Chine P'ou-yi. Cette perspective ayant été froidement accueillie, on y renonça. Il est possible aussi que le monarque détrôné, qui le fut à l'âge de six ans et en a donc vingt-six aujourd'hui, ait préféré sa calme retraite de T'ien-tsin à d'ambitieux projets.

On tâte aujourd'hui l'opinion du monde sur une autre combinaison. Deux nations au moins y pourront faire des objections sérieuses. Les Etats-Unis d'Amérique, d'abord, qui ont déjà déclaré leur intention de ne reconnaître aucun traité, à plus forte raison aucune dépossession de territoire, qui aurait été imposée par la force des armes et sans l'assentiment préalable des puissances intéressées. D'autre part, la Russie soviétique, qui a compris dans sa fédération la Mongolie extérieure, se trouverait ainsi en contact direct avec le Japon, s'il mettait la main sur la Mongolie intérieure ou chinoise. Elle ne souhaite certainement pas ce voisinage.

C'est ainsi que dans le monde entier les menaces de guerre se précisent. Et c'est le moment que l'on choisit, en France, pour désavouer la politique et diminuer le prestige du seul homme d'Etat dont l'autorité, reconnue par le monde entier, pouvait encore s'exercer efficacement en faveur de la paix.

L. L.

Hum 17  
Enclosure No. 11 to Despatch No. 2183 of January 19, 1932.  
From the Embassy at Paris.

Extract from L'HUMANITE, January 17, 1932.

#### SUR L'INJONCTION DE LA FRANCE

### Le Japon démasque son plan de guerre en refusant de signer avec l'U. R. S. S. un pacte de non-agression

La guerre contre l'Union Soviétique est fébrilement préparée par les impérialismes, l'impérialisme français en tête.

Malgré les attaques fielleuses et les falsifications du journal de M. Blum, l'U. R. S. S. a condamné sans relâche les opérations de brigandages des impérialistes, du Japon en particulier en Mandchourie, et n'a pas prêté le flanc aux provocations destinées à précipiter le déclenchement de la guerre antisoviétique.

La presse fait grand bruit autour de l'entrevue que l'ambassadeur de l'U. R. S. S. a eue avec H. Inukai, le chef du gouvernement japonais, mais les faits de ces derniers jours démontrent toute la duplicité manifestée par les impérialistes dans la préparation de leur mauvais coup.

Hier, l'agence Tass démentait catégoriquement les déclarations d'un journal japonais prétendant que Troianovski aurait, dans son entretien avec M. Inukai, essayé de savoir quelle serait l'attitude du Japon à l'égard de la conclusion d'une entente entre le Japon et l'U. R. S. S.

#### Une proposition du gouvernement soviétique

Mais lors du passage de M. Yoshizawa à Moscou, à son retour du Japon où il allait prendre possession de son poste de ministre des affaires étrangères dans le nouveau gouvernement de guerre à outrance, l'ex-ambassadeur du Japon à Paris eut une entrevue avec notre camarade Litvinov. Au cours de l'entretien, Litvinov évoqua la possibilité de conclusion d'un pacte de non-agression nipposoviétique.

A ce propos, l'agence Tass signale que lors de sa démarche, le camarade Troianovski s'est intéressé, en outre, à l'attitude de M. Inukai à l'égard de la proposition faite par Litvinov à M. Yoshizawa, le 31 décembre 1931. Cette proposition portait sur la possibilité de conclure un pacte de non agression entre le Japon et l'U. R. S. S., Litvinov ayant motivé cette proposition par l'importance qu'aurait eue la conclusion d'un pacte de non agression, au moment où certains milieux militaristes étrangers semblaient vouloir spéculer sur la possibilité d'une tension des rapports soviéto-japonais.

Litvinov avait alors attiré l'attention de M. Yoshizawa sur les pourparlers engagés par le gouvernement soviétique avec ses voisins occidentaux en vue de la conclusion de pactes de non-agression.

Litvinov avait ajouté que le Japon était l'unique voisin de l'U. R. S. S. qui n'ait pas conclu de pacte avec elle.

Dans les conditions présentes, faisant cela, le camarade Litvinov ne fit qu'exprimer une fois de plus, dans une forme concrète, la politique de paix de l'U. R. S. S., son désir d'éviter un nouveau carnage mondial.

#### Etrange attitude de M. Yoshizawa

Mais M. Yoshizawa, grand ami de M. Briand et fidèle laquais du Seyukai, n'aurait pas communiqué à son gouvernement la proposition de Litvinov !

Avant-hier seulement, M. Yoshizawa a reconnu, qu'à son passage à Moscou, il « aurait été, en effet, pressenti par Litvinov au sujet de la conclusion d'un pacte de non-agression, mais qu'il n'avait pas encore transmis cette proposition au Cabinet nippon ». Qu'est-ce à dire ?

Et, naturellement, les cercles gouvernementaux de Tokio accréditent l'opinion qu'il est peu probable que le Japon accepte la suggestion soviétique. Le gouvernement Inukai estimerait, en effet, « que le pacte Kellogg rend inutile le besoin d'un pacte de non-agression et qu'en outre il n'est pas dans les intentions du Japon de violer le territoire soviétique ».

Affirmation toute gratuite quand on connaît le plan de guerre et d'annexion du baron Tanaka et les préparatifs d'agression antisoviétique du Japon.

#### Le danger grandit

L'U. R. S. S. poursuit sans relâche sa politique de paix. Mais l'impérialisme français intrigue partout pour contrecarrer cette politique. M. Yoshizawa est à Tokio son porte-parole pour la réalisation des plans d'encerclement et de guerre contre l'Etat ouvrier, parallèlement à l'activité provocatrice des gardes blancs.

L'attitude du gouvernement japonais refusant de prendre en considération la proposition de Litvinov, confirme l'imminence du danger de guerre antisoviétique. Elle a pour but également d'influer sur les négociations que mène actuellement le gouvernement soviétique avec la France, la Pologne, la Roumanie, la Lettonie pour la signature de pactes de non-agression. Cette attitude va être exploitée à cent pour cent par la presse vendue de France et des Etats vassaux de l'impérialisme français.

Car les pays impérialistes en pourparlers avec l'U. R. S. S. pour ces pactes — proposés par le gouvernement soviétique — ne songent nullement à modifier la ligne fondamentale de leur politique antisoviétique et ne cessent aucunement la préparation de la guerre. Ce serait une très grave faute de nourrir quelque illusion à ce sujet.

La France impérialiste consolide le front antisoviétique de ses vassaux aux frontières de l'U. R. S. S. La provocation du diplomate-contrebandier tchécoslovaque Vanek, à Moscou, a été faite à l'instigation de l'impérialisme français. Les provocations des gardes blancs, à Kharbine, sont dirigées par la même main de Paris qui poussait Vanek. Toute la presse s'attache à créer l'atmosphère de guerre contre l'U. R. S. S.

Et en Mandchourie, où les combats continuent, où le Japon prépare la formation pour février d'un gouvernement mandchou-mongol dirigeant, au compte de Tokio, l'« Etat-tampon » antisoviétique, les avions japonais survolent les villes de l'Est chinois et au nord du chemin de fer. Ainsi, le 15 janvier, plusieurs aéroplanes survolèrent Fin-Siang, situé à 50 kilomètres au nord de Kharbine.

Tout est prêt pour la prise de Kharbine et pour l'agression, envisagée pour le printemps, comme l'affirment avec insistance les *Dernières Nouvelles* du blanc Milionkov.

Pour défendre efficacement l'U. R. S. S. menacée, il faut affaiblir par tous les moyens notre propre impérialisme. Et sans retard dans l'action.

M. MAGNIEN.



Enclosure No. 12 to Despatch No. 2183 of January 19, 1932.  
From the Embassy at Paris.

Extract from L'HUMANITE, January 18, 1932.

Quatre mois après le coup de force de Moukden

## LA GUERRE DE MANDCHOURIE LES CAMPAGNES ANTISOVIÉTIQUES DE PARIS

Il y aura aujourd'hui quatre mois jour pour jour que les troupes du Japon bombardaient l'arsenal de Moukden, s'emparaient de la ville et commençaient la conquête de la Mandchourie.

Depuis cette époque, la Société des nations s'est réunie à trois reprises. Ses deux plus récentes sessions ont été présidées par M. Aristide Briand. Chacune de ces réunions a permis à l'impérialisme nippon de fortifier ses positions et d'étendre sa conquête.

Aujourd'hui, il ne fait plus de doute pour personne que l'agression japonaise correspondait à un vaste plan d'offensive contre l'Union Soviétique, et que l'impérialisme français était l'inspirateur véritable de ce projet criminel. De jour en jour, le réquisitoire que nous avons dressé contre la politique française a reçu des événements eux-mêmes la confirmation la plus éclatante.

La France ne s'est pas contentée d'approuver, d'applaudir, d'encourager les dépeceurs de la Chine. Elle leur a donné son aide directe, l'aide de ses généraux, l'aide de ses usines de guerre, de Renault en particulier, l'aide de ses agents doubles et de ses provocateurs. L'affaire Vanek est de beaucoup l'illustration la plus criante des procédés mis en œuvre pour déclencher à tout prix l'explosion.

Un journal écrivait hier matin : « Faut-il rappeler le meurtre, en une bourgade des Balkans, de cet archiduc autrichien qui passa presque inaperçu en France, tous nos journaux étant remplis par la chronique d'un procès qui déclenchait les passions des partis ? Qu'en est-il résulté cependant un mois plus tard ? La guerre européenne. »

C'est bien cela ! L'attentat de Vanek devait provoquer un nouveau Sarajevo avec toutes ses conséquences effroyables. Mais il faut dire plus : Sans l'existence de l'Union Soviétique, sans la politique de bataille opiniâtre pour la paix observée par le prolétariat au pouvoir, la guerre embraserait déjà tout l'Extrême-Orient.

Quand on observe les choses avec le recul du temps, on apprécie mieux le caractère de provocation criminelle de l'attitude du parti socialiste dans cette affaire, des injonctions canailles que lançait le *Populaire* aux hommes d'Etat de l'U. R. S. S. Et il est tout à fait remarquable — ainsi que le démontre pertinemment le camarade Ferrat dans le récent numéro des *Cahiers du Bolchevisme* — que cette campagne correspondait très exactement à celle que menaient à la même heure, dans leur journal la *Vérité*, les disciples français de M. Trotsky.

La diplomatie soviétique vient encore, il y a quelques jours, de rendre à la lutte que nous menons contre la guerre impérialiste un service éminent. L'U. R. S. S. a proposé au gouvernement japonais de conclure un pacte de non agression. S'il est vrai, comme l'affirment vos notes officielles, que vous ne poursuivez aucun dessein agressif ; s'il est vrai, comme le prétendent vos alliés de Paris, que vous ne voulez point nous attaquer, alors signez un pacte, par lequel, devant le monde ouvrier, vous prendrez un engagement public. Tel était en substance le langage qui fut tenu au représentant de Tokio.

Le représentant de Tokio s'est récusé. C'est-à-dire qu'il a révélé publiquement la volonté délibérée du Japon et de la France de précipiter l'intervention militaire.

Et voilà qu'une dépêche d'Extrême-Orient nous annonce qu'un gouvernement indépendant, c'est-à-dire pro-japonais, se constituerait tout prochainement à Moukden, il comprendrait non seulement les trois provinces mandchoues, mais encore celles de Tchiak en Mongolie, et, disent les agences, « d'autres pays mongols ».

A la même heure, la France dont les troupes ont fait plusieurs incursions dans les provinces méridionales de la Chine, et dont le gouvernement se propose de créer à Hanoï un haut commissariat du Pacifique, s'efforce de constituer, elle aussi, un gouvernement « indépendant » du Yunnan. Il s'agit de bloquer les Soviets chinois et de consolider la base d'opérations militaires contre l'Union Soviétique.

Et, comme toujours, à la veille des grandes aventures, les intrigues se multiplient et les campagnes d'excitations redoublent de fureur. Le ministre roumain, Argeliano proclame aux journalistes français : « Le monde civilisé doit consolider les Etats qui sont, à l'Orient, les sentinelles avancées de l'Europe ».

M. Massigli, délégué de la France à Genève, fait le tour des capitales des pays vassaux du gouvernement de Paris.

Le prince Nicolas de Roumanie arrive à l'improviste de France.

Enfin, le gouvernement le plus militariste du monde, le gouvernement de Weygand-Laval-Tardieu déclenche une offensive contre les armements... de l'Etat soviétique, c'est-à-dire du seul Etat dont la politique de paix ne s'est jamais démentie, du seul Etat qui ait présenté un plan de désarmement général, repoussé par tous les délégués de la France, puis un plan de désarmement partiel, repoussé également par tous les délégués de la France.

Après la campagne du « dumping », après la campagne du « travail forcé », après la campagne du « moraloire », la campagne du « militarisme soviétique » !

La portée de ces manifestations n'échappera à aucun prolétaire conscient. Les bateleurs du désarmement capitaliste, les Fabry, Boncour et Cie savent que, dans quelques jours, les délégués soviétiques leur arracheront brutalement les défroques dont ils s'affublent. Ils redoutent cette épreuve. Ils essayent de prendre les devants !

Mais surtout ils s'efforcent de briser le lien solide qui, aux heures des grands dangers, unit le prolétariat français au prolétariat de l'U.R.S.S., à sa vaillante armée rouge. Si la manœuvre réussissait, alors l'exécution du mauvais coup antisoviétique serait singulièrement facilitée.

Mais la manœuvre ne réussira pas : les ouvriers, les chômeurs, tous ceux qui préparent leurs batailles, tous ceux que la C. G. T. U. appelle à manifester le 4 février pour leurs revendications, ces millions d'hommes et de femmes, au cours de leurs combats quotidiens, organiseront leur solidarité effective, avec le prolétariat qui, maître du pouvoir sur un sixième du globe, a vaincu la misère, a vaincu le chômage et construit le socialisme.

Gabriel PERI.

P.S. — C'est aujourd'hui que sort l'excellente brochure de M. Maguion sur la guerre en Mandchourie. Elle contient une analyse minutieuse des événements d'Extrême-Orient, du rôle de la France et de la S.D.N. Elle est indispensable à tous nos camarades. — G. P.



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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

N.Y.H. 18

Enclosure No. 13 to Despatch No. 2183 of January 19, 1932.  
From the Embassy at Paris.

Extract from NEW YORK HERALD, January 18, 1932.

#### **Towards a Climax.**

Events in the international field seem to be rapidly converging towards a culmination, whether it be a sane solution or a catastrophe.

Japan, according to report from Tokio, will push her forces further south in Manchuria, in other words, towards the Great Wall, with ostensible continuation of her chase of Chinese bandits. A most convenient motive! But how does she distinguish between bandits and guerrilla troops, making a last stand against the invader? This move may easily be preliminary to an entry to the old Middle Kingdom, beyond the Great Wall, which, if despatches are to be believed, was mooted at Tokio a few days ago, and the taking of the important city of Tientsin.

Of course, one must beware of Chinese propaganda, which is undoubtedly active; but if Japan, coincident with her righteous professions, continues her imperturbable course of aggressive advance, the council of the League of Nations must surely abandon altogether its shuffling, timid, time-wasting policy. If Japan aims to establish in the end a virtual protectorate over China, it is important that all the powers should be forewarned of the fact. The reported flight of the members of the Chinese cabinet from Nanking, if confirmed, would suggest the most sombre apprehensions.

Enclosure No. 14 to Despatch No. 2183 of January 19, 1932.  
From the Embassy at Paris.

Extract from LA REPUBLIQUE, January 18, 1932.

## Que veut le Japon ?

On trouvera dans le dernier livre de notre ami Balet : *Que veut le Japon ? Que veut la Chine ?* toute une mine de renseignements sur ce qu'on est bien obligé d'appeler l'impérialisme japonais. Impérialisme voulu par les circonstances, d'ailleurs, car il faut bien manger et le Japon ne dispose que d'un territoire étroit, montueux, relativement pauvre pour nourrir une population de près de 70 millions d'habitants. Mais, impérialisme que la situation du Japon rend singulièrement redoutable si l'on veut bien réfléchir à ce fait que tandis que nous autres, Français, sommes entourés d'adversaires, le Japon est complètement isolé, séparé de l'Amérique par toute la largeur du Pacifique, du centre de la Russie par toute l'épaisseur de la Sibérie, de la Chine même par la Corée et la Mandchourie, sans compter que la Chine, qui fut toujours pacifique, est aujourd'hui un grand corps en pleine anarchie et dont les coups ne sauraient être redoutés.

Autant dire que le Japon est à peu près libre de ses mouvements. Cela donne à sa politique un caractère très particulier, non seulement d'indépendance, mais d'intelligente précision. Il peut, à son gré, avancer très rapidement et sur de vastes espaces, reculer non moins vite, quitte à reprendre un peu plus tard sa marche en avant; la seule réaction sérieuse qu'il ait jamais eu à subir depuis sa révolution a été la poussée russe en 1903, et si l'on veut bien réfléchir à la relative modestie des moyens que le Japon mettait en œuvre il y a vingt-huit ans, on admettra facilement que cette poussée devait paraître infiniment plus puissante qu'elle ne l'était en réalité.

Tous les voisins du Japon se rendent compte de l'excellence de sa situation. Aussi n'élèvent-ils guère la voix.

Le plus puissant d'entre eux, l'Amérique, en reste à des notes diplomatiques; la Russie des Soviets croit plus prudent de proposer un traité de non-agression; enfin la Chine ne peut que se plaindre. Le Japon néglige les plaintes chinoises et les reproches américains et répond aux Soviets que le Japon n'ayant jamais pratiqué une politique agressive vis-à-vis des Soviets, le besoin d'un traité de non-agression ne se fait pas sentir pour le moment, d'autant que le

pacte Kellogg qu'au surplus le Japon viole au même instant, devrait suffire à calmer les inquiétudes de Moscou. On ne saurait railler de meilleure grâce. Il est d'ailleurs entendu que le président du Conseil japonais rassurera les bons Russes quant aux intérêts de l'Union soviétique sur le chemin de fer de l'Est chinois.

A l'Amérique le Japon donne toutes les assurances possibles et imaginables. Il se déclare en faveur de la politique de la porte ouverte en Mandchourie, maintient les droits qu'il tient des traités, donne de bonnes raisons aux changements massifs de personnel administratif qu'il vient de faire dans les trois provinces, souligne que l'anarchie règne en Chine et jure une fois de plus qu'il ne convoite aucun territoire, mais que le bien-être de la Mandchourie, l'intérêt du Japon et celui même de l'Amérique exigent que le Japon maintienne sa politique.

Tout cela s'achèvera par la constitution d'un Etat de Mandchourie, Etat tampon, libre comme l'Albanie peut l'être, gouverné par un souverain qui recevra des ambassadeurs, mais obéira au Japon. L'Empire comptera 30 millions d'habitants de plus et le conflit du Pacifique deviendra plus aigu. Souvenons-nous simplement que l'Indochine borde le Pacifique, que nous avons des intérêts politiques immenses dans toute l'Océanie, sans parler de nos intérêts commerciaux, que, par ailleurs, tout heurt du Japon contre la Russie peut se percevoir en Europe et déterminer un autre coup sur le front polonais, tandis que tout heurt du Japon contre l'Amérique peut faciliter grandement la solution du problème des dettes interalliées.

Avec les atouts que possède la France, on peut mener un jeu très sûr dont pourraient profiter la France elle-même, l'Europe et la paix, mais encore faut-il disposer d'un cerveau, c'est-à-dire d'un gouvernement.

Précisément de ce qui nous fait défaut.

Pierre DOMINIQUE.

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75



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UNITED STATES OF AMERICA

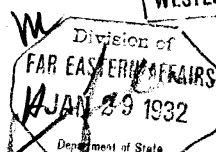
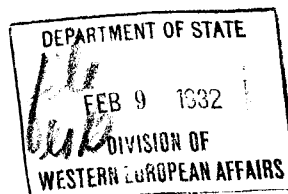
The Hague, Netherlands,  
January 12, 1932.

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The Honorable

The Secretary of State,  
Washington.

Sir:

I have the honor to report that in an interview which I had with the Minister for Foreign Affairs yesterday he told me that he had received information from the Netherlands Legation at Washington regarding the identical Notes addressed by the United States to the Japanese and Chinese Governments bearing on the Manchurian situation.

Mr. Beelaerts said that in announcing to the diplomatic representatives of the signatories to the Nine

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Power Treaty that the Notes were being sent no request had been made for similar action; and though no decision had as yet been arrived at he did not think it probable that the Dutch Government would make any representations in the matter.

He was of the opinion that it would seem superfluous and that it might even be delicate for the Netherlands as a member of the League of Nations to take any steps at the present juncture in view of the initiative and continued attention of the Council of the League of Nations. Furthermore the efforts of the Council were being seconded by the invocation of the Nine Power Treaty and the Kellogg Pact on the part of the United States, and for the present it appeared wisest not to deviate from this procedure.

Mr. Beelaerts characterized the recent acts of the Japanese in Manchuria as "high-handed"; and he could well understand the reason for the communication from the Department of State.

However, he evidently preferred that the Dutch Government should observe the greatest possible caution and let others do the speaking for the time being.

Respectfully yours,



Laurits S. Swenson.

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75



No. 1230.

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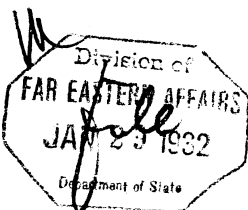
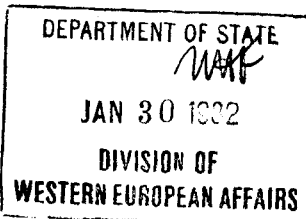


EMBASSY OF THE  
UNITED STATES OF AMERICA

Rome, January 15, 1932.

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The Honorable

The Secretary of State,  
Washington.

Sir:

With reference to my telegram No. 6 of January 13, 6 p.m. regarding the American note to Japan on the situation in Manchuria, I have the honor to transmit herewith clippings from the GIORNALE D'ITALIA showing the way in which the note and the recent developments in the Sino-Japanese crisis have been reported by the Italian press. There is no comment on the American note, as the Foreign Office appears to be still studying it and the attitude which the Italian government will adopt.

According

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According to a press communique' from Geneva, the President of the Council of the League of Nations has designated Count Aldovrandi, former Italian Ambassador to Berlin, as Italian member of the League Commission which is to go to Manchuria. The Department will perhaps recall that Count Aldovrandi was relieved from his post following the discovery of certain irregularities in the administration of the Embassy, and it has been inferred that his appointment to the mission is a final gesture on his complete separation from the diplomatic career.

Respectfully yours,

*Alexander Kirk*  
Alexander Kirk,  
Charge d'Affaires ad interim.

Enclosures: Clippings.

Copies to E.I.C. Paris.

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STATION D'INTELLIGENCE, R. 10.  
January 10, 1961.

Despatch No. 1230.

## GLI STATI UNITI E GLI AVVENIMENTI IN MANCIURIA

# La nota americana consegnata a Tokio

La situazione vista da Tokio e da Nanchino - Cosa chiedono i governi giapponese e cinese - L'atteggiamento dell'Inghilterra - Il passo di Stimson e le sue conseguenze

### Rispetto del patto a nove

(Nostro servizio particolare)  
TOKIO, 9. — L'ambasciatore americano Forbes ha presentato, ieri, alle quattro p. m., al Ministro degli Esteri, il testo della nota con la quale Stimson ricorda al Giappone gli impegni assunti con la firma del Trattato del Pacifico (Patto a 9) e del Patto Kellogg.

I giornali nordamericani continuano, frattanto, a commentare ampiamente la nota inviata da Stimson al Giappone ed alla Cina e si esprimono generalmente a favore della decisione del Segretario di Stato di intervenire direttamente nel conflitto mancese per affrettarne una soluzione.

Il «World Telegram» rileva che il Segretario di Stato non ha detto se i diritti americani ed i trattati siano stati violati dalle operazioni giapponesi in Manciuria e critica la circostanza che Stimson «tuttora rifiuti di invocare formalmente i trattati stessi».

L'«Evening Post» osserva che il Dipartimento di Stato «ha finalmente fatto un primo passo, anzi un mezzo passo, sul terreno di una maggiore fermezza». (United Press).

### Nuove richieste di Nanchino

(Nostro servizio particolare)  
NANCHINO, 9. — L'United Press ha appreso in autorevoli ambienti del Ministero degli Esteri che il Governo ha deciso di chiedere alla Lega delle Nazioni di applicare contro il Giappone le sanzioni economiche previste dall'articolo 16 del «Covenant» della Lega. Il Governo sta anche esaminando l'opportunità di interrompere le relazioni diplomatiche con il Governo di Tokio e avrebbe pure intenzione di chiedere ai firmatari del Patto Kellogg e del Trattato a nome del Pacifico di riunirsi per deliberare definitivamente l'azione da svolgere collettivamente per risolvere la situazione mancese.

Contemporaneamente il Governo cinese ha fatto richiesta agli Stati Uniti ed agli altri Governi non aderenti alla Società delle Nazioni di continuare le loro pressioni sul Giappone per il componimento della vertenza mancese.

### Intransigenza giapponese

TOKIO, 9. — Nei circoli ufficiali si fa comprendere che il Giappone starebbe esaminando provvedimenti più decisivi se continuasse il boicottaggio antigiapponese in Cina, e potrebbe trovarsi costretto a sbarcare dei marinai in Cina od anche a bloccare i principali porti cinesi.

Negli stessi circoli si afferma che il commercio giapponese subisce perdite enormi a causa del boicottaggio. (Radio Stefani).

### Il punto di vista di Tokio

TOKIO, 9. — Una personalità in stretta relazione col Ministro degli Esteri dichiara che gli Stati Uniti possono essere di opinione che l'azione del Giappone in Manciuria costituisca una violazione dell'integrità amministrativa della Cina. Ma il fatto è che il Governo di Nanchino non ha mai esercitato alcuna autorità amministrativa in Manciuria se non nominalmente. Egli ha aggiunto che il Giappone

Nei circoli ufficiali si ritiene che se venisse convocata una conferenza per esaminare l'applicazione del patto delle 9 potenze al problema mancese, potrebbe darsi che il Giappone chiedesse la revisione del patto stesso. (Radio Stefani).

### Quel che si dice a Londra

LONDRA, 9. — Riguardo alla nota mandata dal Governo degli Stati Uniti ai Governi cinese e giapponese sui recenti avvenimenti in Manciuria, si afferma che a Londra l'intenzione del Governo americano di mandare la nota era stata comunicata a Sir Ronald Lindsay, ambasciatore inglese a Washington, alcuni giorni fa e che una copia della nota gli è stata mandata al momento dell'invio.

Si ritiene che il Governo americano abbia proceduto nello stesso modo con gli altri rappresentanti a Washington delle Nazioni firmatarie del trattato delle 9 Potenze.

Si ricorda che nella recente riunione del Consiglio della Società delle Nazioni sulla situazione in Manciuria, il delegato giapponese ha dato precisa assicurazione che qualunque fosse la sua politica militare in Manciuria il Giappone osserverà il principio della «porta aperta» in Manciuria e in Cina, su cui la nota americana richiama l'attenzione. Non facendo parte della Società delle Nazioni, gli Stati Uniti sono però in una posizione alquanto diversa dalle altre Potenze in-

teressate e ciò spiega appunto l'invio della nota. La situazione invece della Gran Bretagna — si fa rilevare in questi circoli ufficiali — non è precisamente uguale a quella degli Stati Uniti. La questione si basa dunque tutta sul modo in cui le varie Potenze possono interpretare la stipulazione del Trattato delle 9 Potenze. Pare ormai certo però che la Gran Bretagna non seguirà l'esempio degli Stati Uniti nel mandare un monito al Giappone a riguardo della crisi in Manciuria, in quanto i rappresentanti inglesi avevano accettato nella riunione del Consiglio della Società delle Nazioni le assicurazioni date dal Giappone come sufficienti. Tuttavia sembra che il Governo inglese stia cercando qualche mezzo per ribadire il punto di vista fondamentale inglese nei riguardi della Cina ed è da aspettarsi fra pochi giorni un suo passo, forse in forma di una dichiarazione ufficiale o di una comunicazione alla Società delle Nazioni. Evidentemente l'azione americana ha colto di sorpresa le autorità inglesi e nei circoli politici oggi si giudica particolarmente poco opportuna la scelta da parte di Washington in questo momento per ricordare al Giappone i suoi obblighi per il Patto Kellogg e il Trattato delle 9 Potenze e si chiede perché una tale azione non è stata pensata dal Segretario di Stato americano prima che l'occupazione della Manciuria diventasse un fatto compiuto. — (Radio Stefani).

## Il lanciatore della bomba contro il Mikado appartiene ad una società segreta coreana

(Dal nostro corrispondente)

LONDRA, 9. (f.). — Da Tokio si hanno stanotte nuovi particolari sull'attentato al Mikado. E' confermato intanto che il Mikado si era recato a passare una rivista nella Piazza d'Armi in Tokio, preceduto e seguito da

che è caduto posteriormente al cochio imperiale sulla strada, esplodendo con enorme fragore, ferendo un cavallo e un lanciere e lasciando incolume la persona dell'Imperatore, il quale è rimasto calmissimo.

L'attentatore, come sapete, è stato subito arrestato. Si tratta di certo Schioichi Masayama, di 32 anni, il quale ha detto di provenire da Sciangai, di essere di origine coreana, di appartenere ad una società segreta il cui scopo è l'indipendenza della Corea. Perquisito, è stato trovato in possesso di un'altra bomba più piccola.

Si dice che la polizia sia venuta a sapere che il «Governo provvisorio» della Corea che ha sede a Sciangai gli abbia dato una gratificazione di quindici sterline perché uccidesse l'Imperatore.

La bomba che egli ha gettato era un ordigno infernale potentissimo, un cilindro meccanico lungo trenta centimetri. Pare che egli lo abbia tirato quando la carrozza dell'Imperatore era passata, avendo scambiato con questa quella seguente.

La bomba non è esplosa del tutto, e secondo quanto riferisce il corrispondente del Times da Tokio, gli esperti asseriscono che se l'esplosione fosse stata completa, avrebbe potuto battere un raggio di trenta metri. La polizia ha subito posto il divieto alla diffusione della notizia ma questa si è

profondo rincrescimento per quello che era successo.

L'attuale attentato è il quarto che il giovane imperatore Hiro Hito subisce. Egli è conosciuto in Giappone fin da quando era principe imperiale, per la sua tendenza a una concezione meno aristocratica della Corona. Questo costituì una prima infrazione della tradizione dinastica. Un'altra infrazione fu l'abbandono del suolo patrio, cosa che la tradizione non consente ai principi imperiali per recarsi nel 1921 in Europa. Nel 1921 stesso un attentato contro di lui non riuscì perché la bomba esplose prima del tempo; l'attentatore rimase vittima del suo piano criminoso; l'esplosione lo ridusse in pezzi sui gradini del palazzo imperiale.

Nel 1923 perdurante la malattia del padre, mentre era Principe reggente, il figlio di un membro della Dieta giapponese sparò contro di lui alcuni colpi d'arma da fuoco, mentre il Principe procedeva in corteo verso il palazzo del Parlamento dove doveva presenziare alla cerimonia dell'inaugurazione della Sessione. Un proiettile frantumò uno dei vetri della berlina imperiale, ma il Principe rimase illeso. Nel 1926 fu invece un fanatico sacerdote buddista che si lanciò contro il Principe. Fermato e perquisito, il sacerdote fu trovato in possesso di una lunga spada oltre che di altre armi.

Appena avuta notizia dell'attentato, il Capo del Governo Inukai si è recato immediatamente al Palazzo Imperiale per congratularsi con l'Imperatore per lo scampato pericolo.

Quindi, dopo un Consiglio dei Ministri il Gabinetto si è dimesso secondo l'uso giapponese che i Ministri si considerano responsabili dell'attentato e le loro dimissioni possono essere considerate come un «karakiri morale».

Anche nel 1923, subito dopo l'attentato al defunto Imperatore Jamamoto compì lo stesso gesto.

### Le dimissioni di Inukaj respinte

(Nostro servizio particolare)

TOKIO, 9. — L'imperatore Hirohito ha respinto le dimissioni del Gabinetto e ha ordinato a Inukaj di rimanere a capo del Governo. Oggi si avrà una riunione di Gabinetto per esaminare la situazione e discutere sulla opportunità o meno che il Ministro della guerra e quello dell'interno rinunzino al mandato. I due ministri, essendo responsabili dei servizi di pubblica sicurezza, dovrebbero secondo il codice Samuraj accettare la piena responsabilità dell'accaduto, e conseguentemente dimettersi. Ma non si esclude che il Gabinetto possa rimanere immutato. — (United Press).

### 46 chili d'oro in barre

sequestrati presso tre stranieri a Vienna

VIENNA, 9. — La polizia viennese ha sequestrato presso tre stranieri discesi in un albergo del Ring, 46 chili di oro in barre di provenienza austriaca. Gli stranieri, la cui nazionalità non è stata definitivamente accertata, hanno dichiarato di voler im-



INUKAI  
Presidente del Consiglio giapponese

altre berline di Stato e circondato da una compagnia di lancieri.  
Alle 11.15 (15.15 italiane), egli ha

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 Department of State letter, August 10, 1972  
 By Milton O. Lustigson NARS, Date 12-18-75

MINISTER D'INSTRUCTION, Paris.  
 January 12, 1933.

Despatch No. 1230.

### La risposta del Giappone alla nota di Stimson

(Nostro servizio particolare)

TOKIO, 11. — Da informazioni attendibili si apprende che, nella sua risposta alla nota di Stimson, il governo giapponese dichiarerà che il Giappone non intende violare i diritti sovrani della Cina, non vuole opporsi alla politica delle potenze relativamente al mantenimento della « porta aperta » in Cina, è lungi dal voler contravvenire agli impegni del Patto Kellogg. Il Giappone, però, insisterà perché la Cina rispetti gli obblighi dei trattati cino-giapponesi, e assuma nuovo impegno per la loro osservanza. — (United Press).



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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

GIUSEPPE D'INNIZI, Roma.  
January 18, 1938.

Despatch No. 1230.

### La Cina romperà le relazioni col Giappone

(Nostro servizio particolare)

SHANGAI, 12. — Il portavoce ufficiale del governo ha dichiarato all'«United Press» che la Cina, permanendo l'attuale situazione, conta di interrompere a breve le relazioni diplomatiche con il Giappone ed ha aggiunto che il dott. Eugenio Chen ha in animo di rassegnare le dimissioni da ministro degli esteri perchè le direttive politiche stabilite al momento della sua assunzione al ministero non hanno avuto attuazione. Senza dubbio le dimissioni saranno rifiutate, ma ciò significherà anche la rottura delle relazioni diplomatiche con il Giappone, sostenuta dal dott. Chen. Il governo quindi si dedicherà esclusivamente a consolidare la sua posizione interna e ad unificare le forze politiche vitali. Quanto alla situazione estera, e specialmente al conflitto mancese, si ha fiducia che esso possa venire risolto in una conferenza dei firmatari del Trattato a nove del Pacifico, conferenza di cui si assicura sarà promotore il segretario di Stato americano Stimson.

Il presidente del consiglio, Sun Fo, rimane tuttavia a Shangai, ove sarà raggiunto nei prossimi giorni dal ministro degli esteri dott. Chen, che lascerà definitivamente Nankino.

Osservatori obbiettivi però ritengono che il portavoce del governo, nel dichiarare probabile un ritorno di Chang Kai Shek e dei generali a lui fedeli a collaborare con il governo di Nanchino, abbia espresso più un suo desiderio che una realtà fondata su circostanze di fatto. (United Press)

GIORNALE D'ITALIA, Rome.  
January 14, 1932.

Despatch No. 1230.

## **Il rappresentante d'Italia nella Commissione per la Manciuria**

Dal nostro corrispondente)

GINEVRA, 13. — (U. S.). Il Presidente del Consiglio della Società delle Nazioni ha proceduto in questi giorni alla nomina della Commissione della Società delle Nazioni, che si recherà in Manciuria. Per l'Italia è stato designato, su indicazione del Governo italiano, l'ex Ambasciatore conte Aldrovandi.

Della Commissione fanno parte il generale Claudel, francese, Lord Lytton, inglese, il generale Maccoy, americano, il dottor Schnee, tedesco.

## **I combattimenti continuano**

tra giapponesi e banditi cinesi

(Nostro servizio particolare)

MUKDEN, 13. — E' ufficialmente annunciato che due ufficiali e venticinque soldati giapponesi sono rimasti uccisi nei combattimenti di Sin Ling Tung, ove le truppe imperiali hanno rioccupato la stazione radiotelegrafica, ristabilendo le comunicazioni con Tahushan. I combattimenti continuano.

In altro scontro contro trecento irregolari e banditi cinesi due soldati nipponici sono stati uccisi e sei feriti. Le perdite cinesi superano il centinaio, tra morti e feriti.

E' smentita la notizia che nel combattimento di Chin Si il reggimento giapponese «Konga» abbia perduto la bandiera. (United Press).

## **Distaccamento giapponese**

accerchiato dai banditi

TOKIO, 13. — Secondo un comunicato ufficiale qui giunto da Chin Chow il distaccamento giapponese che era accorso in aiuto delle truppe giappo-

nesi a Chin Si, è riuscito a scacciare i banditi da Tchih Chih Like. Esso è entrato nella località dove ha effettuato il collegamento con altri distaccamenti giapponesi e con i superstiti del reggimento di cavalleria del tenente colonnello Koga. I giapponesi erano appena entrati che il fuoco è scoppiato simultaneamente ai quattro angoli della città. I banditi hanno approfittato di tale circostanza per condurre un vigoroso contrattacco ed accerchiare completamente la città ed i giapponesi, i quali combattono disperatamente contro le fiamme ed i banditi. (Radio Stefani).

TELEGRAM RECEIVED

MET

GRAY

RECEIVED FROM

Peiping via N.R.

DIVISION OF

Dated January 28, 1932

Secretary of State,  
Washington

138, January 28, 5 p.m.

Legation's 128, January 26, 1 p.m.

On the basis of Hanson's telegraphic reports Legation summarizes developments of the past few days at Harbin as follows:

One. January 26th General Chang Ching Hui held a conference with General Ting Chao and a representative of General Yu Hsin Chow, commander of new Kirin troops which are insisting that Ting Chao and other local military commanders be eliminated and their property confiscated. According to Chang any attempt by Yu's troops to enter Harbin would be resisted by force. No satisfactory decisions have been reached at conference mentioned fighting broke out 27th between portion of General Yu's troops and those now in control of Harbin.

Two. Ohashi informed Consulate that Colonel Dohihara

had

793.94  
note  
813.102 Harbin

Rec'd 1:28 p.m.  
Division of  
Far Eastern  
JAN 28 1932  
Department of State

3645

F/LS 793.94/3683

FILED  
JAN 28 1932

MET

2-# 132 from Peiping via N.R.,  
January 28, 1932, 5 pm

had been asked to mediate but had refused. However, it is probable that Japanese will be decisive factor in situation as both parties are attempting to gain Japanese support. Ohashi has delayed departure. Japanese aeroplane circled over Harbin January 26th dropping leaflets while three planes were circling around combatants on the morning of January 27th.

Three. At Hanson's suggestion Japanese Consul General asked British and French Consuls to attend a meeting at his residence to discuss situation. It was decided to have Ohashi send a telegram to Hsi Chia and telephone to Ting Chao requesting that General Yu be ordered to do his utmost to prevent danger to lives or damage to property of foreign community at Harbin.

JOHNSON

WSB-KLP

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

## DOCUMENT FILE

### NOTE

SEE 893.00/11747 FOR Tel. #132 5pm

FROM China ( Johnson ) DATED Jan. 27, 1932  
TO NAME 1-1127

REGARDING: appointment of General Chen Wing Shu as Foreign  
Minister, to succeed Eugene Chen.

793.94/3684

126  
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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

PLAIN

Peiping via N.R.

Dated January 27, 1932

Rec'd 8:45 a.m.

Secretary of State,

Washington.

132, January 27, 5 p.m.

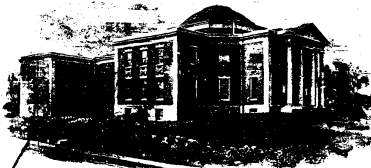
Following from Reuter, Nanking.

January 26. "General Chen Wing Shu has been appointed  
Foreign Minister in succession to Mr. Eugene Chen, who  
resigned owing to the Government not agreeing to his  
proposal to break off relations with Japan."

JOHNSON

RPF

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JAN 27 32

January 26, 1932

United States Department of State  
Washington  
District of Columbia

Gentlemen:

The enclosed piece of propaganda was sent to me a few days ago through the mail. It seems to me that the circulation of such inflammatory literature can do no good. Hence I am calling it to your attention.

The name which appears in the imprint, the World Peace Movement, is apparently a fake title made to deceive the recipient into believing that the pamphlet was issued by the world peace foundation. No legitimate peace organization would issue such inflammatory literature as this whether the contents are authentic or not. Such a pamphlet should not be circulated.

Very truly yours

Librarian

RWGV:P  
Enc.



793.94/3685

JAN 30 1932

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126F  
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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

February 10 1932.

In reply refer to  
FE 793.94/3685

Mr. Robert W. G. Vail,  
Librarian, American Antiquarian Society,  
Worcester, Massachusetts.

Sir:

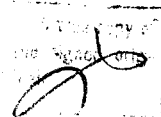
The receipt is acknowledged of your letter of  
January 26, 1932, enclosing a copy of a pamphlet which  
you have received, entitled, "The Memorial of Premier  
Tanaka or A Japanese Secret Design for the Conquest of  
China as well as the United States and the Rest of the  
World". Your courtesy in forwarding this pamphlet to  
the Department is appreciated.

Very truly yours,

For the Secretary of State:

*M. M. H.*  
Maxwell M. Hamilton,  
Assistant Chief,  
Division of Far Eastern Affairs.

*Ege*  
FE:DC:VA:SS





126  
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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

# The Memorial of Premier Tanaka

or

A JAPANESE SECRET DESIGN

for

THE CONQUEST OF CHINA

as well as

The United States and the Rest of the World

WORLD PEACE MOVEMENT

108 PARK ROW

N. Y. C., N. Y.

36

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

In the future, if we want to control China, we must first crush the United States just as in the past we had to fight in the Russo-Japanese War. But in order to conquer China we must first conquer Manchuria and Mongolia. In order to conquer the world, we must first conquer China.

—Premier Tanaka.

## THE MEMORIAL OF PREMIER TANAKA

*Submitted to the Emperor of Japan on July 25, 1927  
for the Annexation of Manchuria as the First Step  
toward the Conquest of China, the United States  
and the Rest of the World*

Since the European War, Japan's political as well as economic interests have been in an unsettled condition. This is due to the fact that we have failed to take advantage of our special privileges in Manchuria and Mongolia and fully to realize our acquired rights. But upon my appointment as premier, I was instructed specially to guard our interests in this region and watch for opportunities for further expansion. Such instructions one cannot take lightly. Ever since I advocated a positive policy towards Manchuria and Mongolia as a common citizen, I have longed for its realization. So in order that we may lay plans for the colonization of the Far East and the development of our new continental empire, a special conference was held from June 27th to July 7th lasting in all eleven days. It was attended by all the civil and military officers connected with Manchuria and Mongolia, whose discussions resulted in the following resolutions. These we respectfully submit to your Majesty for consideration.

### GENERAL CONSIDERATIONS

The term Manchuria and Mongolia includes the provinces Fengtien, Kirin, Heilungkiang and Outer and Inner Mongolia. It extends an area of 74,000 square miles, having a population of 28,000,000 people. The territory is more than three times as large as our own empire not counting Korea and Formosa, but it is inhabited by only one-third as many people. The attractiveness of the land does not arise from the scarcity of population alone: its wealth of forestry, minerals and agricultural products is also unrivalled elsewhere in the world. In

order to exploit these resources for the perpetuation of our national glory, we created especially the South Manchuria Railway Company. The total investment involved in our undertakings in railway, shipping, mining, forestry, steel manufacture, agriculture, and cattle raising as schemes pretending to be mutually beneficial to China and Japan amounts to no less than Yen 440,000,000. It is veritably the largest single investment and the strongest organization of our country. Although nominally the enterprise is under the joint ownership of the government and the people, in reality the government has complete power and authority over it. In so far as the South Manchuria Railway Company is empowered to undertake diplomatic, police and ordinary administrative functions so that it may carry out our imperialistic policies, the Company forms a peculiar organization which has exactly the same powers as the Governor-General of Korea. This fact alone is sufficient to indicate the immense interests we have in Manchuria and Mongolia. Consequently the policies of the successive administrations since Meiji towards this country are all based on his injunction, elaborating and continuously completing the development of the new continental empire in order to further the advance of our national glory and prosperity for countless generations to come.

Unfortunately, since the European War there have been constant changes in diplomatic as well domestic affairs. The authorities of the Three Eastern Provinces are also awakened and gradually work toward reconstruction and industrial development following our example. Their progress is astonishing. It has effected the spread of our influence in a most serious way, and has put us to so many disadvantages that the dealings with Manchuria and Mongolia of successive governments have resulted in failure. Furthermore, the restriction of the Nine Power Treaty signed at the Washington Conference have reduced our special rights and privileges in Manchuria and Mongolia to such an extent that there is no freedom left for us. The very existence of our country is endangered. Unless these obstacles are removed, our national existence will be in-

secure and our national strength will not increase. Moreover, the resources of wealth are congregated in North Manchuria. If we do not have the right of way there, it is obvious that we shall not be able to tap the riches of this country. Even the resources of South Manchuria which we won by the Russo-Japanese War will also be greatly restricted by the Nine Power Treaty. The result is that while our people cannot migrate into Manchuria as they please, the Chinese are flowing in as a flood. Hordes of them move into the Three Eastern Provinces every year, numbering in the neighbourhood of several millions. They have jeopardized our acquired rights in Manchuria and Mongolia to such an extent that our national surplus population of eight hundred thousand have no place to seek outlet. In view of this we have to admit our failure in trying to effect a balance between our population and food supply. If we do not devise plans to check the influx of Chinese immigrants immediately, in five years' time the number of Chinese will exceed 6,000,000. Then we shall be confronted with greater difficulties in Manchuria and Mongolia.

It will be recalled that when the Nine Power Treaty which restricted our movements in Manchuria and Mongolia was signed, public opinion was greatly aroused. The late Emperor Taisho called a conference of Yamagata and other high officers of the army and the navy to find a way to counteract this new engagement. I was sent to Europe and America to ascertain secretly the attitude of the important statesmen toward it. They were all agreed that the Nine Power Treaty was initiated by the United States. The other Powers which signed it were willing to see our influence increase in Manchuria and Mongolia in order that we may protect the interests of international trade and investment. This attitude I found out personally from the political leaders of England, France and Italy. The sincerity of these expressions could be depended upon. Unfortunately just as we were ready to carry out our policy and declare void the Nine Power Treaty with the approval of those whom I met on my trip, the Seiyukai cabinet suddenly fell and our policy failed of fruition. It was indeed

a great pity. After I had secretly exchanged views with the Powers regarding the development of Manchuria and Mongolia, I returned by way of Shanghai. At the wharf there a Chinese attempted to take my life. An American woman was hurt, but I escaped by the divine protection of my emperors of the past. It seems that it was by divine will that I should assist Your Majesty to open a new era in the Far East and to develop the new continental empire.

The Three Eastern Provinces are politically the imperfect spot in the Far East. For the sake of self-protection, as well as the protection of others, Japan cannot remove the difficulties in Eastern Asia unless she adopts a policy of "Blood and Iron." But in carrying out this policy we have to face the United States which has been turned against us by China's policy of fighting poison with poison. In the future, if we want to control China, we must first crush the United States just as in the past we had to fight in the Russo-Japanese War. But in order to conquer China we must first conquer Manchuria and Mongolia. In order to conquer the world, we must first conquer China. If we succeed in conquering China, the rest of the Asiatic countries and the South Sea countries will fear us and surrender to us. Then the world will realize that Eastern Asia is ours and will not dare to violate our rights. This is the plan left to us by Emperor Meiji, the success of which is essential to our national existence.

The Nine Power Treaty is entirely an expression of the spirit of commercial rivalry. It was the intention of England and America to crush our influence in China with their power of wealth. The proposed reduction of armaments is nothing but a means to limit our military strength, making it impossible for us to conquer the vast territory of China. On the other hand, China's resources of wealth will be entirely at their disposal. It is merely a scheme by which England and America may defeat our plans. And yet the Minseito made the Nine Power Treaty the important thing and emphasized our trade rather than our rights in China. This is a mistaken policy—a

policy of national suicide. England can afford to talk about trade relations only because she has India and Austria to supply her with foodstuff and other materials. So can America because South America and Canada are there to supply her needs. Their spare energy could be entirely devoted to developing trade in China to enrich themselves. But in Japan her food supply and raw materials decrease in proportion to her population. If we merely hope to develop trade, we shall eventually be defeated by England and America, who possess unsurpassable capitalistic power. In the end, we shall get nothing. A more dangerous factor is the fact that the people of China might some day wake up. Even during these years of internal strife, they can still toil patiently, and try to imitate and displace our goods so as to impair the development of our trade. When we remember that the Chinese are our sole customers, we must beware, lest one day when China becomes unified and her industries become prosperous. Americans and Europeans will compete with us: our trade in China will be ruined. Minseito's proposal to uphold the Nine Power Treaty and to adopt the policy of trade towards Manchuria is nothing less than a suicidal policy.

After studying the present conditions and possibilities of our country, our best policy lies in the direction of taking positive steps to secure rights and privileges in Manchuria and Mongolia. These will enable us to develop our trade. This will not only forestall China's own industrial development, but also prevent the penetration of European Powers. This is the best policy possible!

The way to gain actual rights in Manchuria and Mongolia is to use this region as a base and under the pretence of trade and commerce penetrate the rest of China. Armed by the rights already secured we shall seize the resources all over the country. Having China's entire resources at our disposal we shall proceed to conquer India, the Archipelago Asia Minor, Central Asia, and even Europe. But to get control of Manchuria and Mongolia is the first step if the Yamato race wishes to distinguish themselves on Continental Asia. Final success

belongs to the country having food supply; industrial prosperity belongs to the country having food-supply; industrial prosperity belongs to the country having raw materials; the full growth of national strength belongs to the country having extensive territory. If we pursue a positive policy to enlarge our rights in Manchuria and China, all these prerequisites of a powerful nation will constitute no problem. Furthermore, our surplus population of 700,000 each year will also be taken care of. If we want to inaugurate a new policy and secure the permanent prosperity of our empire, a positive policy towards Manchuria and Mongolia is the only way.

MANCHURIA AND MONGOLIA—NOT CHINESE TERRITORY

Historically considered, Manchuria and Mongolia are neither China's territory nor her special possessions. Dr. Yano has made an extensive study of Chinese history and has come to the positive conclusion that Manchuria and Mongolia never were Chinese territory. This fact was announced to the world on the authority of the Imperial University. The accuracy of Dr. Yano's investigations is such that no scholars in China have contested his statement. However, the most unfortunate thing is that in our declaration of war with Russia, our government openly recognized China's sovereignty over these regions and later again at the Washington conference when we signed the Nine Power Treaty. Because of these two miscalculations (on our part) China's sovereignty in Manchuria and Mongolia is established in diplomatic relations, but our interests are seriously injured. In the past, although China speaks of the Republic of five races, yet Tibet, Sinkiang, Mongolia and Manchuria have always remained special areas and the princes are permitted to discharge their customary functions. Therefore in reality the sovereign power over these regions resides with the princes. When any opportunity presents itself, we should make known to the world the actual situation there. We should also wedge our way into Outer and Inner Mongolia in order that we may reform the mainland. So long as the princes there maintain their former administrations, the sover-

ign rights are clearly in their hands. If we want to enter these territories, we may regard them as the ruling power and negotiate with them for rights and privileges. We shall be afforded excellent opportunities and our national influence will increase rapidly.

POSITIVE POLICY IN MANCHURIA

As to the rights in Manchuria, we should take forceful steps on the basis of the Twenty-One Demands and secure the following in order to safe-guard the enjoyment of the rights which we have acquired so far:—

1. After the thirty-year commercial lease terminates, we should be able to extend the term at our wish. Also the right of leasing land for commercial, industrial and agricultural purpose should be recognized.
2. Japanese subjects shall have the right to travel and reside in the eastern part of Mongolia, and engage in commercial and industrial activities. As to their movements, China shall allow them freedom from Chinese law. Furthermore, they must not be subject to illegal taxation and unlawful examination.
3. We must have the right of exploiting the nineteen iron and coal mines in Fengtien and Kirin, as well as the right of timbering.
4. We should have priority for building railroads and option for loans for such purposes in South Manchuria and Eastern Mongolia.
5. The number of Japanese political, financial and military advisers should be increased. Furthermore, we must have priority in furnishing new advisers.
6. The right of stationing our Police over the Koreans (in China.)

7. The administration and development of the Kirin-Changchun Railway must be extended to 99 years.
8. Exclusive right of sale of special products—priority of shipping business to Europe and America.
9. Exclusive rights of mining in Heilungkiang.
10. Right to construct Kirin-Hueining and Changchun-Talai Railways.
11. In case money is needed for the redemption of the Chinese Eastern Railway, the Japanese Government must have the first option for making loans to China.
12. Harbour rights at Antung and Yingkow and the right of through transportation.
13. The right of partnership in establishing a Central Bank of the Three Eastern Provinces.
14. Right of Pasturage.

#### POSITIVE POLICY TOWARDS INNER AND OUTER MONGOLIA

Since Manchuria and Mongolia are still in the hands of the former princes, in the future we must recognize them as the ruling power and give them support. For this reason, the daughter of General Fukushima, Governor of Kwantung, risked her life among the barbarous Mongolian people of Tushiyeh to become adviser to their Prince in order that she might serve the Imperial Government. As the wife of the Prince Ruler is the niece of Manchu Prince Su, the relationship between our Government and the Mongolian Prince became very intimate. The princes of Outer and Inner Mongolia have all shown sincere respect for us, especially after we allured them with special benefits and protection. Now there are 19 Japanese retired military officers in the house of the Tushiyeh. We have acquired already monopoly rights for the purchase of wool, for real estate and for mines. Hereafter we shall send secretly more retired officers to live among them. They should wear

Chinese clothes in order to escape the attention of the Mukden Government. Scattered in the territory of the Prince, they may engage themselves in farming, herding or dealing in wool. As to the other principalities, we can employ the same method as in Tushiyeh. Everywhere we should station our retired military officers to dominate in the Princes' affairs. After a large number of our people have moved into Outer and Inner Mongolia, we shall then buy lands at one-tenth of their worth and begin to cultivate rice where feasible in order to relieve our shortage of food-supply. Where the land is not suitable for rice cultivation, we should develop it for cattle raising and horse breeding in order to replenish our military needs. The rest of the land could be devoted to the manufacture of canned goods which we may export to Europe and America. The fur and leather will also meet our needs. Once the opportunity comes, Outer and Inner Mongolia will be ours outright. While the sovereign rights are not clearly defined and while the Chinese and the Soviet Governments are engaging their attention elsewhere, it is our opportunity quietly to build our influence. Once we have purchased most of the land there, there will be no room for dispute as to whether Mongolia belong to the Japanese or the Mongolians. Aided by our military prowess, we shall realize our positive policy. In order to carry out this plan, we should appropriate Yen 1,000,000 from the "secret funds" of the Army Department's budget so that four hundred retired officers disguised as teacher and Chinese citizens may be sent into Outer and Inner Mongolia to mix with the people, to gain the confidence of the Mongolian princes, to acquire from them rights for pasturage and mining and to lay the foundation of our national interests for the next hundred years.

#### ENCOURAGEMENT AND PROTECTION OF KOREAN IMMIGRATION

Since the annexation of Korea, we have had very little trouble. But President Wilson's declaration of the self-determination of races after the European War has been like a divine revelation to the suppressed peoples. The Koreans are no exception. The spirit of unrest has permeated the whole



country. Both because of the freedom they enjoy in Manchuria due to incompetent police system and because of the richness of the country, there are now in the Three Eastern Provinces no less than 1,000,000 Koreans. The unlooked for development is fortunate for our country indeed. From a military and economic standpoint, it has greatly strengthened our influence. From another standpoint, it gives new hope for the administration of Koreans. They will both be the vanguard for the colonization of virgin fields and furnish a link of contact with the Chinese people. On the one hand, we could utilize the naturalized Koreans to purchase land for rice cultivation, on the other, we could extend to them financial aid through the Co-operative Society, the South Manchuria Railway, etc., so that they may serve as the spear-head of our economic penetration. This will give relief to our problem of food supply, as well as open a new field of opportunity for eventuality. They are different from those naturalized Japanese in California and South America. They are naturalized as Chinese only for temporary convenience. When their numbers reach two million and a half or more, they can be instigated to military activities whenever there is the necessity, and under the pretence of suppressing the Koreans we could bear them aid. As not all the Koreans are naturalized Chinese, the world will not be able to tell whether it is the Chinese Koreans or the Japanese Koreans who create the trouble. We can always sell dog's meat with a sheep's head as sign-board.

Of course while we could use the Koreans for such purposes, we must beware of the fact that the Chinese could also use them against us. But Manchuria is as much under our jurisdiction as under Chinese jurisdiction. If the Chinese should use Koreans to hamper us, then our opportunity of war against China is at hand. In that event, the most formidable factor is Soviet Russia. If the Chinese should use the "Reds" to influence the Koreans, the thought of our people will change and great peril will befall us. Therefore, the present Cabinet

is taking every precaution against this eventuality. If we want to make use of the Koreans to develop our new continental empire, our protection and regulation for them must be more carefully worked out. We should increase our police force in North Manchuria under the terms of the Mitsuya Treaty so that we may protect the Koreans and give them help in their rapid advance. Furthermore, the Eastern Development Company (To uku Kaisha) and the South Manchuria Railway Company should follow then to give them financial aid. They should be given especially favourable terms so that through them we may develop Manchuria and Mongolia and monopolize the commercial rights. The influx of Koreans into these territories is of such obvious importance both for economic and military considerations that the Imperial Government cannot afford not to give it encouragement. It will mean new opportunities for our empire. Since the effect of the Lansing-Ishii Agreement is lost after the Washington Conference, we can only recover our interests through the favorable development arising out of the presence of several millions of Koreans in Manchuria. There is no ground in international relations for any objection to this procedure.

#### RAILROADS AND DEVELOPMENT OF OUR NEW CONTINENT

Transportation is the mother of national defence, the assurance of victory and the citadel of economic development. China has only 7,200 to 7,300 miles of railroads, of which three thousand miles are in Manchuria and Mongolia constituting two-fifths of the whole. Considering the size of Manchuria and Mongolia and the abundance of natural products, there should be at least five or six thousand miles more. It is a pity that our railroads are mostly in south Manchuria, which cannot reach the sources of wealth in the northern parts. Moreover, there are too many Chinese inhabitants in South Manchuria to be wholesome for our military and economic plans. If we wish to develop the natural resources and strengthen our national defence, we must build railroads in Northern Manchuria. With the opening of these railroads, we shall be able

to send more people (Japanese) into Northern Manchuria. From this vantage ground we can manipulate political and economic developments in South Manchuria, as well as strengthen our national defence in the interest of peace and order of the Far East. Furthermore, the South Manchuria Railway was built mainly for economic purposes. It lacks encircling lines necessary for military mobilization and transportation. From now on we must take military purposes as our object and build circuit lines to circle the heart of Manchuria and Mongolia in order that we may hamper China's military, political and economic developments there on the one hand, and prevent the penetration of Russian influence on the other. This is the key to our continental policy.

There are two trunk lines in Manchuria and Mongolia. These are the Chinese Eastern Railway and the South Manchuria Railway. As regards the railroad built by Chinese, it will doubtless become very powerful in time, backed by the financial resources of the Kirin Provincial Government. With the combined resources of Fengtien and Heilungkiang Provinces, the Chinese railroads will develop to an extent far superior to our South Manchuria Railway. Strong competition will inevitably result. Fortunately for us, the financial conditions in Fengtien Province are in great disorder, which the authorities cannot improve unless we come to their succor. This is our chance. We should take positive steps until we have reached our goal in railroad development. Moreover, if we manipulate the situation, the Fengtien bank-notes will depreciate to an inconceivable degree. In that event, the bankruptcy of Fengtien will be a matter of time. The development of Manchuria and Mongolia will be out of the question for them. But we still have to reckon with the Chinese Eastern Railway. It forms a T with the South Manchuria Railway. Although this system is in a convenient shape, it is by no means suitable for military purposes. When the Chinese build railroads as feeders of the Chinese Eastern Railway, it is best that they run parallel to it, west and east. But with the South Manchuria Railway as main line, we must have these lines run north and

south. For the benefit of the Chinese themselves, there are also advantages for these lines to run in this direction. Consequently our interest does not necessarily conflict with the Chinese. Now that Russia is losing influence and is powerless to advance in Manchuria and Mongolia, it is certain that the Chinese must act according to our beckoning in the development of railways in the future. Much to our surprise the Fengtien Government recently built two railroads, one from Tahushan to Tungliao and the other from Kirin to Haining both for military purposes. Those two railroads affect most seriously our military plans in Manchuria and Mongolia as well as the interest of the South Railway. We therefore protest strongly against it.

That these railways were built was due to the fact that our official on the spot as well as the South Manchuria Railway authorities miscalculated the ability of the Fengtien Government and paid no attention to it. Later when we did intervene the railways were already completed. Besides, the Americans have been anxious to make an investment in developing the port of Hulutao through British capitalists. Taking advantage of this situation, the Fengtien Government introduced American and British capital in these railways in order to hold our interest at bay. For the time being we have to wing at it and wait for the opportune moment to deal with China about these two railroads.

Recently, it is rumoured that the Fengtien Government is planning to build a railroad from Tahushan to Harbin via Tung Liao and Fu Yu, so that there may be a direct line between Peking and Harbin without touching either the South Manchuria Railway or the Chinese Eastern Railway. What is more astonishing is that another railway beginning at Mukden passing through Hailung, Kirin, Wuchang terminating at Harbin is also under way. If this plan be realized, then these two lines would encircle the South Manchuria Railway and limit its sphere of activity to a small area. The result is that our economic and political development of Manchuria and



Mongolia will be checked and the plan for curtailing our power provided by the Nine Power Treaty will be carried out. Moreover, the completion of these two railroads will render the South Manchurian Railway completely useless. The latter Company will be confronted with a real crisis. But in view of China's financial condition today, she cannot undertake these two railroads unless she resorts to foreign loans. And on these two railways the transportation charges will have to be higher than on the South Manchuria Railway. These considerations give us some comfort. But in the event of these two railroads becoming an accomplished fact and the Chinese Government making especially low freight charges in order to compete with the South Manchuria Railway, not only we but the Chinese Eastern Railway will also sustain great losses. Japan and Russia certainly would not allow China to carry out such obstructive measures, especially as the Chinese Eastern Railway depends upon Tsitsihar and Harbin for the bulk of its business. The consequence would be even more serious to both Japanese and Russian interests when the new railways are completed.

Let us now consider more in detail the competitive railways projected in Manchuria and Mongolia.

China contemplates:

1. Suolun-Taonan Railway.
2. Kirin-Harbin Railway.

Soviet Russia proposes:

1. Anta-Potung Railway.
2. Mienpo-Wuchang-Potuna Railway.
3. Kirin-Hailin Railway.
4. Mishan-Muling Railway.

The Russian plans are designed to strengthen the Chinese Eastern Railway and thereby to extend its imperialistic schemes. For this reason the railways projected mostly run east and

west. For although the power of Soviet Russia is declining, her ambition in Manchuria and Mongolia has not diminished for a minute. Every step she takes is intended to obstruct our progress and to injure the South Manchuria Railway. We must do our utmost to guard against her influence. We should use the Fengtien Government as a wedge to check her southern advance. By pretending to check the southern advance of Soviet Russia as a first step, we could gradually force our way into North Manchuria and exploit the natural resources there. We shall then be able to prevent the spread of Chinese influence on the south and arrest the advance of Soviet Russia on the north. In our struggle against the political and economic influence of Soviet Russia, we should drive China before us and direct the events from behind. Meanwhile, we should still secretly befriend Russia in order to hamper the growth of Chinese influence. It was largely with this purpose in view, that Baron Goto of Kato's cabinet invited Joffe to our country and advocated the resumption of diplomatic relations with Russia.

Although we have an agreement with the Chinese Eastern Railway concerning transportation rates, according to which 45% go to the Chinese Eastern Railway and 55% to us, yet the Chinese Eastern Railway still grants preferential rates detrimental to the interest of the South Manchuria Railway. Moreover, according to a secret declaration of Soviet Russia, although they have no territorial ambition they cannot help keeping a hand in the Chinese Eastern Railway on account of the fact that north of the Chinese and Russian boundary the severe cold makes a railway useless. Furthermore, as Vladivostok is their only sea-port in the Far East, they cannot give up the Chinese Eastern Railway without losing also their foothold on the Pacific. This makes us feel the more uneasy.

On the other hand, the South Manchuria Railway is not adequate for our purpose. Considering our present needs and future activities, we must control railways in both North and South Manchuria, especially in view of the fact that the re-

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sources of North Manchuria and Eastern Mongolia will furnish us room for expansion and material gains. In South Manchuria the Chinese are increasing at such a rate that it will surely damage our interests politically and economically. Under such circumstances, we are compelled to take aggressive steps in North Manchuria in order to assure our future prosperity. But if Soviet Russia's Chinese Eastern Railway should spread across this field our new continental policy is bound to receive a set-back which will result in an inevitable conflict with Soviet Russia in the near future. In that event we shall enact once more our part in the Russo-Japanese War. The Chinese Eastern Railway will become ours as the South Manchuria Railway did last time, and we shall seize Kirin as we once did Dairen. That we should draw swords with Russia again in the fields of Mongolia in order to gain the wealth of North Manchuria seems a necessary step in our program of national aggrandisement. Until this hidden rock is blown up our ship can have no smooth sailing. We should now demand from China the right of building all the important military railroads. When these railroads are completed, we shall pour our forces into North Manchuria as far as we can. When Soviet Russia intervenes, as they must, that is our opportunity for open conflict.

#### WE SHOULD BUILD THE FOLLOWING RAILWAYS

1. Tungliao-Jehol Railway. This line is 447 miles long and will cost Yen 50,000,000. When it is completed it will be of great value to our development of Inner Mongolia. As a matter of fact, this is the most important of all the railways in the whole undertaking. According to the careful surveys of the War Department, there are in inner Mongolia large tracts of land suitable for rice cultivation. After proper development there will be room for at least 20 millions of our people. Besides there, is the possibility of turning out 2,000,000 head of cattle which may be transported by railways for food supply and for purposes of exporting to Europe and America. Wool also is a special product. While the sheep in Japan yield only

two catties of wool per head per year, the sheep in Mongolia can yield six catties. The South Manchuria Railway has made many experiments, all of which confirm this fact. Besides, the wool is many times better than that of Australia. Its low cost and high quality combined with its abundance in quantity make Mongolia a potential source of great wealth. When this industry is enhanced by the facilities of railway development, the total production will increase at least ten-fold. We have withheld this knowledge from the rest of the world, lest England and America compete with us for it. Therefore, we must first of all control the transportation and then develop the wool industry. By the time the other countries know about it, it would be already too late to do anything. With this railroad in our hands, we can develop the wool industry not only for our own use, but also for exporting to Europe and America. Furthermore, we can realize our desire of joining hands with Mongolia. This railway is a matter of life and death to our policy in Mongolia. Without it, Japan can have no part in Mongolia's development.

2. Suolun-Taonan Railway. This line is 136 miles long and will cost Yen 10,000,000. Looking into the future of Japan, a war with Russia over the plains of North Manchuria is inevitable. From a military standpoint, this line will not only enable us to threaten Russia's rear but also to curtail its re-inforcements for North Manchuria. From an economic standpoint, this road will place the wealth of the Tao Er Ho Valley within our reach, thereby strengthening the South Manchuria Railway. The princes nearby who are friendly to us can also use this road to extend our influence in order to open up their respective territories. Our hope of working hand in hand with the Mongolian princes, of acquiring land, mines and pasturage, and of developing trade with the natives as preliminary steps for later penetration, all depends upon this railway. Together with Tungliao-Jehol Railway, they will form two supplementary routes into Mongolia. When the industries are fully developed, we shall extend our interests into Outer Mongolia. But the danger of this line is that it might provide facili-

ties for Chinese migration into a new region and spoil our own policy. Look at our experience with the South Manchuria Railway. Hasn't that served the interest of China? The redeeming feature, however, is the fact that the land and mines along this railway are in the possession of Mongolian princes. If we can gain possession of them first, we need have no worries about Chinese migration. Moreover, we can make the princes pass laws discriminating against Chinese immigrants. When life there is made miserable for the Chinese, they naturally will leave for places afar. There are other methods to bar the Chinese. Only if we try hard enough, no Chinese foot-prints will be found on Mongolian territory.

3. A section of Changchun-Taonan Railway. As this line runs from Changchun to Fuyu and Talai, the section between Changchun and Taonan is about 131 miles and costs approximately Yen 11,000,000. This line is immensely important from an economic standpoint, for the wealth of Manchuria and an easy access to North Manchuria on the one hand, and pre-judice the Chinese Eastern Railway to the benefit of the South Manchuria Railway on the other. It runs through the upper valley of the Sungari River where the soil is fertile and agriculture products abound. Further, in the vicinity of Talai there is the Yuehliang Falls which could be harnessed for electric power. That this section of the railway will be a prosperous center for industry and agriculture, is beyond doubt. After the completion of this line, we shall be able to make Talai a base and advance on Siberia through three directions; namely by ways of Taonan, Anshan and Tsitsihar. The wealth of North Manchuria will then come to our hands. This will also be the first line of advance to Heilungkiang. It will further form a circuit with the railway between Changchun and Taonan, which will serve well for military purposes when we penetrate into Mongolia. Along this whole line the population is sparse and the land is rich and extensive. No fertiliser will be required on the forms for fifty years. A possession of this railway will ensure the possession of all the wealth of North

Manchuria and Mongolia. In this region there is room for at least 30 million people more. When the Tunhua Railway is completed and joins up with the line running to Hueining in Korea, the products will be brought to the door of Osaka and Tokyo by a direct route. In time of war our troops could be despatched to North Manchuria and Mongolia via the Japan Sea without a stop, forestalling all possibilities of Chinese forces entering North Manchuria. Nor could American or Russian submarines enter the Korean Strait. The moment the railways between Kirin and Hueining and between Changchun and Talai are completed, we shall become self-sufficient in food-stuff and raw materials. We shall have no worries in the event of war with any country. Then, in our negotiations about Manchuria and Mongolia, China will be cowed to submission and yield to our wishes. If we want to end the political existence of Manchuria and Mongolia according to the third step of Meiji's plan, the completion of these two railways is the only way. The Changchun-Talai Railway will greatly enhance the value of the South Manchuria Railway, besides developing into a profitable line itself. It is an undertaking of supreme importance in our penetration into this territory.

4. Kirin-Hueining Line. While the Kirin-Tunhua Line is already completed, the Tunhua-Hueining Line is yet to be built. The narrow gauge of 2 ft. 6 inches of the tracks from Hueining to Laotoukow is inadequate for the economic development of the New Continent. Allowing Yen 8,000,000 for widening the racks in this section and Yen 10,000,000 for completing the section between Laotoukow and Tunhua, the whole undertaking will cost approximately Yen 20,000,000. When this is done, our continental policy will have succeeded. Hitherto, people going to Europe have to pass through either Dairen or Vladivostok. Now they can go on the trunk line directly from Chingchinkang via the Siberian Railway. When we are in control of this great system of transportation, we need make no secret of our designs on Manchuria and Mongolia according to the third step of Meiji's plans. The Yamato Race is then embarked on the journey of world

conquest! According to the last will of Meiji, our first step was to conquer Formosa and the second step to annex Korea. Having completed both of these, the third step is yet to be taken and that is the conquest of Manchuria, Mongolia and China. When this is done, the rest of Asia including the South Sea Islands will be at our feet. That these injunctions have not been carried out even now, is a crime of your humble servants.

In history the people living in Kirin, Fengtien and part of Heilungkiang, are called Sushan. They are now scattered along the sea coast and in the basins of the Amur and Tumen Rivers. They were known as Kulai, Sushan, Hueibel, Palou, Wotsu, Fuyu, Kitan Pohai and Nuchen at different stages of history. They were of a mixed race. The forefathers of the Manchurian dynasty also began in this vicinity. They gained control of Kirin, first, and then firmly established themselves in China for 300 years. If we want to put into effect our Continental Policy, we have to note this historical fact and proceed to establish ourselves in this region first also. Hence the necessity of the Kirin-Hueining Railway.

Whether the terminus of Kirin-Hueining Line be at Chingchin or Lochin or even Hsiungchi, we are free to decide according to circumstances. From the standpoint of national defence at present, Lochin seems the ideal harbour and terminus. Eventually it will be the best harbour in the world. On the one hand it will ruin Vladivostok, and on the other it will be the center of the wealth of Manchuria and Mongolia. Moreover, Dairen is as yet not our own territory while Manchuria is yet not a part of our empire, it is difficult to develop Dairen. That being the case, we shall be in a precarious situation in time of war. The enemy could blockade the Tsushima and Senchima Straits, and we shall be cut off from the supplies of Manchuria and Mongolia. Not having the resources there at our command we shall be vanquished, especially as England and the United States have worked hand in hand to limit our action in every possible direction. For the sake of self-preservation

and of giving warning to China and the rest of the world, we must fight America some time. The American Asiatic Squadron stationed in the Philippines is but within a stone's throw from Tsushima and Senchima. If they send submarines to these quarters, our supply of food-stuff and raw materials from Manchuria and Mongolia will be cut off entirely. But if the Kirin Hueining Railway is completed, we shall have a large circuit line through all Manchuria and Korea and a small circuit line through North Manchuria. We shall have access in all direction gaining freedom for the transportation of soldiers and supplies alike. When our supplies are transported through this line to our ports at Tsuruga and Niigata, enemy submarines will have no way of getting into the Japanese and Korean straits. We are then entirely free from interference. This is what is meant by making the Japanese Sea the center of our national defense. Having secured the free transportation of food and raw materials, we shall have nothing to fear either from the American navy because of its size, or the Chinese or Russian army because of their number. Incidentally, we shall be in a position to suppress the Koreans. Let me reiterate the fact that if we want to carry out the New Continental Policy, we must build this line. Manchuria and Mongolia are the undeveloped countries in the East. Over this territory we shall have to go to war with Soviet Russia sooner or later. The battle ground will be Kirin.

When we carry out the third step of Meiji's plans with regard to China, we shall have to do the following things:—

1. Mobilise the army divisions in Fukuoka and Hiroshima, and send them to South Manchuria via Korea. This will prevent the northern advance of Chinese soldiers.
2. Send the army divisions in Nagoya and Kwansei by sea to Chingchin, and thence to North Manchuria via the Kirin Hueining Line.
3. Send the army in Kwantung through Niigata to Chingchin or Lochin, and thence by Kirin-Hueining Line to North Manchuria.

4. Send the army divisions in Hokkido and Sendai to embark the ship at Aomori and Hakodate, and sail for Vladivostok and thence, via the Siberian Railway to Harbin. Then they can descend on Fengtien, seize Mongolia and prevent Russian forces from coming south.

5. Finally these divisions in all directions will meet and form themselves in two large armies. On the south, they will keep Shanhaikuan and close it against the northern advance of Chinese forces: on the north, they will defend Tsitsihar against the southern advance of the Russians. In this way we shall have all the resources of Manchuria and Mongolia at our command. Even if the war should be prolonged for ten years, we need have no fear for the lack of supplies.

Let us now analyze once more the Kirin-Hueining Railway from the standpoint of its access from our ports.

First, with Chingchin as starting point:

- |                         |           |
|-------------------------|-----------|
| 1. To Vladivostok ..... | 130 miles |
| 2. To Tsuruga .....     | 475 miles |
| 3. To Moji .....        | 500 miles |
| 4. To Nagasaki .....    | 650 miles |
| 5. To Fusan .....       | 500 miles |

Second, take Tsuruga as the port of entry and compare it with Dairen. In this case we should consider it from the point of view of Osaka an industrial center.

1. From Changchun to Osaka via Lochin, the distance is 406 miles by land and 475 miles by sea. In point of time the route will take 51 hours.
2. From Changchun to Osaka via Dairen and Kobe, the distance is 535 miles by land and 870 miles by sea. In point of time it takes 92 hours.

If Tsuruga instead of Dairen is made the connecting link, there is a saving of 41 hours. Calculated at the rate of 30 miles an hour on land and 12 miles an hour by sea, we can use fast boats and trains and cut the time in half.

Manchuria and Mongolia are the Belgium of the Far East. In the Great War, Belgium was the battlefield. In our wars with Russia and the United States, we must also make Manchuria and Mongolia suffer the ravages. As it is evident that we have to violate the neutrality of these territories, we cannot help building the Kirin-Hueining and Changchun-Talai Railways in order that we may be militarily prepared. In time of war we can easily increase our forces and in time of peace we can migrate thousands upon thousands of people into this region and work on the rice fields. This line offers the key to economic development as well as to military conquests.

In undertaking the Kirin-Hueining Railway, it is necessary to take advantage of the dry season and finish it at one stretch. The mountains it goes through are all granite. The tunneling would need modern and up-to-date machines. As to the sleepers and ballast required, there is an abundance all along the line. Limestone and clay for making tiles and brick are also to be had for the taking. Only rails, cars and locomotives have to be brought in. The cost of construction could therefore be reduced at least thirty per cent and the time required forty per cent.

Now, let us look into the economic interests along this line. According to the careful investigations of our General Staff and the South Manchuria Railway, the total reserve of timber is 200,000,000 tons. If one million tons is fallen and imported to our country each year, it will last two hundred years. This will stop the import of American timber which has been costing us Yen 80,000,000 to Yen 100,000,000 a year. Although our information is reliable we cannot make it known to the world; for if China or Russia learns that we get so much timber from America, they would try to interfere with the construction of



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this line. Or else, the United States may buy from the Fengtien Government all the timber rights on the one hand to protect their own trade with us; on the other, to control the monopoly and incidentally kill our paper industry.

Kirin was known as the "ocean of trees" even in the days of Emperor Chien-Lung. Added to the original forests are the growths in the intervening years since that time. Imagine the vastness of the resources! To transport this timber from Kirin to Osaka via Changchun and Dairen, there is a distance of 1,385 miles. For every cubic foot, we have to spend 34 cents. Because of this high cost of transportation, we cannot compete with the United States. If the Kirin-Hueining Line is completed, the distance is reduced to about 700 miles. We can then ship timber to Osaka at the low rate of 13 cents per cubic foot. We can certainly defeat the timber importation from the United States then. Supposing we calculate the profit at Yen 5.00 per ton timber and supposing there are two billion tons of timber, the construction of the railway will bring to us the easy profit of 10 billion yen. We will bar the import of American timber into our country. Furthermore, the industry of paper manufacture, furniture making, and wooden wares which the cheap timber makes possible will add 20 million yen more to our country's annual income.

There is also the Hsinchin coal mine, which has a reserve of 600,000,000 tons of coal. The quality of this coal is superior to that of Fushun coal, easy to excavate and suitable for the extraction of petroleum, agricultural fertilizers and other chemical by-products which we may both use at home and sell in China. There are numerous other advantages which will come to us from the building of the Kirin-Hueining Railway. It is all gain without labour. The coal will supplement the Fushun collieries. With both coal mines in our control, we hold the key to the industries of all China. Speaking of the Hsinchin coal, we shall reap a profit of Yen 5.00 on each ton when it is shipped to Japan. With additional chemical by-products, we shall reap a profit of Yen 16.00 from each ton of

coal. Taking an average profit of Yen 15.00 a ton, the total profit will amount to 200 billion yen. All this comes as a by product from the operation of the Kirin-Hueining Railway. There are, besides, the gold mines along the Mutan River. The acquired rights of the South Manchuria Railway in the gold mines of Chlapikou in the province of Kirin and the timber in its neighbourhood will all be within reach of exploitation once the Kirin-Hueining line is in operation.

In the vicinity of Tunhua the agricultural products, such as oats, wheat, millet and kaoliang, yield an annual output of over a million catties. There are twenty distilleries of wines, thirty oil mills yielding an annual output of about 600,000 catties of oil and 600,000 of bean cakes, besides many places for making vermicelli. All these will depend upon the new railway. The trade along this road may be estimated at 4 million yen a year. The transportation charges of farm products alone will not only defray the running expenses, but also yield a net profit of Yen 200,000 a year. Including the profit from timber, coal and its by-products transported by the railway, we can safely count on a profit of Yen 8,000,000 a year. Besides, there are indirect benefits such as the strengthening of the South Manchuria Railway, the acquisition of rights over forests, mines and trade as well as the migration of large numbers of our people into North Manchuria. Above all, is the shortening of distance between Japan and the resources of wealth in North Manchuria. It only takes three hours from Chingchin to Hueining, three hours from Hueining to Sanfeng and three hours more from Tumen river to Lungchingsun. In 60 hours we can reach the wealth of North Manchuria. Hence the Kirin-Hueining Railroad alone can enable us to tap the immense wealth of North Manchuria.

4. **Hunchun-Hailin Railway.** This is 173 miles long and costs Yen. 24,000,000. All along this line are thick forests. In order to strengthen the Kirin-Hueining Railway and to exploit the forests and mines in North Manchuria, this line is needed. In order to transfer the prosperity of Vladivostok to Hueining, this line is also urgently needed. The greatest hope for

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prosperity, however, is the fact that south of Naining and north of Tunhua there is Lake Chungpo which can be used to generate electric power. With this electric power, we shall have control over the agricultural and industrial undertakings of the whole of Manchuria and Mongolia. No amount of China's agitation can matter in the least to our industrial developments. According to the investigations of the South Manchuria Railway, the water power in the lake can generate at least 800,000 horsepower. With such an enormous quantity of electric power, the industrial conquest of Manchuria and Mongolia can be easily accomplished. In the neighbourhood of this immense power plant, there will be phenomenal growth of wealth. We must build this railway quickly, in order to provide facilities for transportation. Lake Hsingkai, which is owned jointly by China and Russia, can also be developed for the generation of electricity. In order that these two countries may not combine to frustrate our plans, we should introduce a resolution in the International Conference of Electrical Engineering to be held in Tokyo this year, to the effect that in the same area of electricity supply there should not be two power plants. Besides, in the vicinity of Niigata and Hailin, the Oju Paper Mill has acquired extensive rights of lumbering. They need the immediate establishment of the power plant at Lake Chingpo and the early completion of the Hunchun-Hailin Railway in order to bring to the factory at home the raw materials growing wild in Mongolia.

Moreover, the reason that the Fengtien-Kirin-Wuchang Railway and the Kirin and Fengtien authorities intend to build the Wuchang Railway and the Kirin-Mukden Railway, with Hulutao or Tientsin as sea-port, is that they want to recover to themselves the wealth of North Manchuria. By building the Hunchun-Hailin Railway we shall not only strengthen the Kirin-Hueining Railway, but also defeat the Chinese scheme and draw the wealth of Manchuria to Chingchin harbour. The transportation charges will be two-thirds less compared with the Chinese line and one-third less compared with the Siberian line. They cannot compete with us. Our victory is a foregone conclusion.

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The total trade in Manchuria is seven or eight billion yen a year, all of which is in our hands. The business we do in wool, cotton, soybeans, bean cakes, and iron, forms one-twentieth of the total volume of world trade. And it is steadily increasing. But the Namihaya Machi at Dairen (the wealthiest street in the city) is still in Chinese possession. The sad story goes further. Oil is a basic industry in Manchuria. We control only 6 percent of it. Of the 38 oil mills in Yingkow, there is not one Japanese; of the 20 oil mills in Antung there is only one Japanese and of the 82 or 83 oil mills in Dairen there are only seven owned by Japanese. This is by no means an optimistic outlook for us. In order to recover the lost ground, we must first of all develop transportation. Then, by securing a monopoly on both finished products and raw materials, we shall be able to gain the upper-hand eventually. Furthermore, we ought to assist our people in oil business by extending to them financial credit, so that the oil industry of the Chinese will be forced out of the market. There are many Chinese on Kawaguchi Machi in Osaka who are dealers of our manufactured goods in Mongolia and Manchuria. They are strong competitors of our own business men in China. Our people are greatly handicapped because of their high standard of living which compels them to figure at a higher percentage of profit. On the other hand, the Chinese also have their disadvantages. The goods that they get are of an inferior quality, but the price that they pay is at least 10 percent higher than what our own people pay. Besides, they are also obliged to pay Yen 2.70 more than our people for every ton of goods transported, and yet they can undersell our merchants in Manchuria. It clearly shows the inability of our own people. When one thinks of it, it is really pathetic. The Chinese is single-handed, receiving no assistance from the government. But the Japanese in Manchuria has every protection from the government and long term credit at a low rate of interest. Still there are innumerable cases of failures. Hereafter, we should organize a co-operative exporting house to China. The steamship lines and the South Manchuria Railway should give it special discounts, and the government in Kwangtung should extend to it finan-

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cial credit at a very low rate of interest. Then we can hope to beat the Chinese merchants and recover our trade rights, so that we may develop the special products of Manchuria and send them to all parts of the world.

The first step in gaining financial and commercial control of Manchuria and Mongolia lies in the monopoly sale of their products. We must have the rights of monopoly for the sale of Manchurian and Mongolian products before we can carry out our continental policy and prevent the invasion of American capital as well as the influence of the Chinese traders.

Although the products of Manchuria and Mongolia may go through any of the three ports, Dairen, Yingkow and Antung, nevertheless Dairen holds the key to the situation. Every year 7,200 ships pass through this port with a total tonnage of 11,565,000 tons. This represents 70 percent of the total trade of Manchuria and Mongolia. Fifteen navigation routes radiate out from it with definite sailing schedule. Most of it is coastal sailing. We have in our grasp the entire transportation system of Manchuria and Mongolia. The monopoly sale of Manchuria's special products will eventually come into our hands. When that come true, we can develop our oceanic transportation in order to defeat both Yingkow and Antung. Then the large quantities of beans which the central and southern parts of China consume, will depend on us entirely. Moreover, the Chinese are an oil eating people. In time of war, we can cut off their oil-supply and the life of the whole country will become miserable. Bean-cakes are important as fertilizers for the cultivation of rice. If we have control of the source of supply as well as the means of transportation, we shall be able to increase our production of rice by means of a cheap supply of bean-cakes and the fertilizers manufactured as a by-product at the Fushun coal mines. In this way, we shall have the agricultural work of China dependent upon us. In case of war we can put an embargo on bean-cakes as well as the mineral fertilizers and forbid their exportation to Central and South China. Then China's production of food-stuff will be greatly reduced. This is one way of building up our continental

empire which we must not overlook. We should remember that Europe and America also need large quantities of beans and bean-cakes. When we have monopoly of the supplies and full control of transportation, both on land and sea, the countries which have need of the special products of Manchuria and Mongolia, will have to seek our good-will. In order to gain trade monopoly in Manchuria and Mongolia, we must have control of the complete transportation system. Only then can we have the Chinese merchants under our thumb.

However, the Chinese are adepts in learning our tricks and beating us at our own game. We have yet found no way by which we can compete successfully with them in oil-making and sail-boat transportation. After building up the new system of transportation, our policy should be two-fold. On the one hand, wreck the sail-boat trade by means of heavy investment in our own system. On the other hand, encourage our men to learn all they can from the Chinese about the sail-boat business. Another thing we should be careful about is teaching the Chinese our industrial methods. In the past we have established factories in Manchuria and Mongolia, and carried on industries near the source of raw materials. This gave to the Chinese the opportunity of learning our secrets and establishing competitive factories of their own. Hereafter, we should ship the raw materials back home and do the manufacturing there, and then ship the finished products for sale in China and other countries. In this way we shall gain in three ways: (1) provide work for our unemployed at home, (2) prevent the influx of Chinese into Manchuria and Mongolia, and (3) make it impossible for the Chinese to imitate our new industrial methods. The iron of Penhsihu and Anshan and the coal of Fushun should also be sent home to be turned into finished products.

For all these considerations, the development of ocean transportation becomes the more necessary. The Dairen Kisen Kaisha Company should be enlarged, and our government should extend to it loans at low interest through the South



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Manchuria Railway Company. By next year, we should complete 50,000 tons of new ships for oceanic transportation. That will be sufficient to dominate over the traffic of the East. For on the one hand, we have the South Manchuria Railway for land transportation; on the other hand, we control the large quantities of products in Manchuria and Mongolia waiting to be transported. The success of this enlarged activities in oceanic transportation with Dairen as centre is assured by the iron laws of economics.

#### GOLD STANDARD CURRENCY NECESSARY

Although Manchuria and Mongolia are within our field of activities, yet the legal tender there is still silver. It often conflicts with our gold basis and works to our disadvantage. That our people have failed to prosper as they should in these places, is due to the existence of silver monetary system there. The Chinese have persistently upheld the silver basis, and therefore have made it impossible for us firmly to establish our colonization plans on a firm economic foundation. We have suffered from it the following disadvantages:

1. The money that we bring into Manchuria is of gold standard. When we use it either for daily livelihood or for industry and trade, it has to be exchanged into Chinese silver dollars. The fluctuation of exchange is not infrequently as much as 20 percent, resulting in serious loss to our people. Speculation becomes a regular business and investing money becomes a matter of gambling. When one plans an investment of two hundred thousand yen, one may suddenly find that his capital has been reduced to one hundred fifty or one hundred sixty thousand dollars due to the drop in exchange. The creditor would then have to call in the loan and business failures have often resulted.

2. The Chinese businessmen use silver money throughout and are free from the effects of exchange fluctuations. Therefore their "junk" trade is prosperous. Although they have no scientific knowledge of exchange value of gold and silver, they always gain in the transaction. They have a natural gift for

it, we suffer the more. And we lose in spite of our control of transportation and special backing of banking houses. Because of the handicap of monetary system, people in Central and South China always buy beans and bean-cakes from their own people. We have no chance against them. In consequence, we cannot conquer the whole of China.

3. With the silver standard in existence, the Chinese Government can increase their notes to counteract our gold notes. Consequently, our banks will fail to carry out the mission of extending our country's influence.

4. If the gold standard is adopted, we can issue gold notes freely. With the credit of the gold notes, we can acquire rights in real property and natural resources and defeat the credit of the Chinese silver notes. The Chinese will be unable to compete with us; and the currency of the whole of Manchuria and Mongolia will be in our control.

5. The Government Bank of the Three Eastern Provinces, the Bank of Communications, the Frontier Development Bank and the General Credit & Finance Corporation have in circulation silver notes amounting to 38,000,000 dollars. Their reserve funds in the form of buildings and goods are estimated at 1,350,000 dollars. It is natural that the Chinese notes should depreciate. It is only by acts of the Government that these notes are still in circulation. Until we have entirely discredited the Chinese silver notes, we will never place our gold notes in their proper place in Manchuria and Mongolia, much less obtain the monopoly in currency and finance of these two countries. With the depreciated and inconvertible silver notes, the government of the Three Eastern Provinces buys all kinds of products, thus threatening our vested interests. When they sell these products, they demand gold from us which they keep for the purpose of wrecking our financial interests including our trade rights in special products. For these reasons, our gold notes are having a harder time and a gold standard for currency becomes the more urgently necessary.

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In view of the above-mentioned considerations, we must overthrow Manchuria's inconvertible silver notes and divest the government of its purchasing power. Then we can extend the use of our gold notes in the hope of dominating the economic and financial activities of Manchuria and Mongolia. Furthermore, we can compel the authorities of the Three Eastern Provinces to employ Japanese financial advisers to help us gain supremacy in financial matters. When the Chinese notes are overthrown, our gold notes will take their place.

THE NECESSITY OF CHANGING THE ORGANIZATION OF THE  
SOUTH MANCHURIA RAILWAY

The South Manchuria Railway Company functions in Manchuria as the Governor-General of Korea did there before the annexation. In order to build up our new Continental Empire, we must change the organization of that Company so as to break away from the present difficulties. The functions of this Company are varied and important. Every change of Cabinet involves a change of the administration of the South Manchuria Railway, and conversely every activity of the South Manchuria Railway also has important consequences on the Cabinet. This is because the South Manchuria Railway is semi-governmental, with final authority resting in the Cabinet. For this reason, the Powers invariably look upon this railway as a purely political organ rather than a business enterprise. Whenever a new move is made for the development of Manchuria and Mongolia, the Powers would invoke the Nine Power Treaty to thwart the plan of the South Manchuria Railway. This has greatly damaged the interests of our empire.

Considered from the point of view of domestic administration, the South Manchuria Railway is subject to a quadruple control. There are the Governor of Kwantung, the Chief Executive of Dairen, the Consul-General at Mukden, besides the President of the South Manchuria Railway itself. These four officers must meet and exchange views at Dairen before anything is undertaken. What is discussed in the meeting held in

camera often leaks out to the Chinese authorities of the Three Eastern Provinces. They in turn would try to obstruct any forward movements of the South authorization, it again has to run the gauntlet at the Departments of Foreign Affairs, of Railways, of Finance and of Army. If these ministers do not agree, the matter is dropped. Therefore, although the present prime minister realizes his own incompetence, he has nevertheless taken concurrently the portfolio of foreign affairs, so that our movements in Manchuria may be kept confidential and the execution of our plans may be swift and decisive. On account of these reasons, the South Manchuria Railway should be radically re-organized. All appurtenant enterprises which are profit-making should be made independent companies under the wings of the South Manchuria Railway, so that we may take determined steps on the conquest of Manchuria and Mongolia. On the other hand, Chinese, Europeans and Americans should be invited to invest money in the South Manchuria Railway on the condition that we have a plurality of its stocks. In that event the control of the Company is in our hands, and our mission from the empire can be discharged more vigorously. In short, by inviting international participation in the South Manchuria Railway, we can blind the eyes of the world. Having achieved that, we can push our advance in Manchuria and Mongolia at our will, free ourselves from the restraint of the Nine Power Treaty and strengthen our activities in that country with foreign capital.

The important appurtenant enterprises of the South Manchuria Railway are:—

1. Iron and Steel

Iron and steel are closely connected with national development. Every country today attaches great importance to it. But because of the lack of ores, we have found no solution to this problem. Hitherto we have had to import steel from the Yangtze Valley and the Malay Peninsula. But according to a secret survey of our General Staff, a wealth of iron mines are found in many places in Manchuria and Mongolia. A conser-

vative estimate of the reserve is 10 billion tons. At first when there was a lack of technique the Anshan Iron and Steel Works was involved in an annual loss of Yen 3,000,000. Later, new methods were discovered, and the technique developed so that during 1926 the loss was only Yen 150,000 and a year later there was a profit of Yen 800,000. If the furnace is improved, we ought to earn at least Yen 4,000,000 a year. The quality of the ore at Penhsihu is excellent. By amalgamating it with the Anshan Iron Works, we shall have the comfort of being self-sufficient in iron and steel.

The iron deposits in Manchuria and Mongolia are estimated at 1,200,000,000 tons; and coal deposits, 2,500,000,000 tons. This coal ought to be sufficient for smelting the iron ores. With such large amounts of iron and coal at our disposal, we ought to be self-sufficient for at least seventy years. At the rate of \$100 profit on each ton of steel, for 350,000,000 tons of steel we shall have a profit of Yen 35,000,000. This is a tremendous asset to our economic resources. We shall save the expense of Yen 120,000,000 which we pay for the importation of steel every year. When we can have sufficient iron and steel for our own industries, we shall have acquired the secret for becoming the leading nation in the world. Thus strengthened, we can conquer both the East and the West. In order to attain this goal, the iron works must be separated from the South Manchuria Railway. Such unified control will keep China from preventing us to become self-sufficient in iron and steel.

## 2. Petroleum

Another important commodity which we lack is petroleum. It is also essential to the existence of a nation. Fortunately, there lie in the Fushun Coal Mine 5,200,000,000 tons of shale oil, from every hundred catties of which six catties of crude oil may be extracted. By means of American Machinery, every hundred catties will yield nine catties of refined oil good for motor cars and battleships. At present, Japan imports from foreign countries 700,000 tons of mineral oils every year valued at Yen 60,000,000. These figures are on the increase. As there are 50 billion tons of shale in the Fushun Mines, the yield

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calculated at five percent would be 250,000,000 tons; at nine percent, 450,000,000 tons of oil. Taking an average of the two, the yield would be 350,000,000 tons, and assuming the value of the oil to be fifteen yen a ton, the oil shale contained in the Fushun Mine would bring us Yen 2,250,000,000. This will be a great industrial revolution for us. From the standpoint of national defence and national wealth, petroleum is a great factor. Having the iron and petroleum of Manchuria, our army and navy will become impregnable walls of defence. That Manchuria and Mongolia are the heart and liver of our empire, is a truthful saying. For the sake of our empire, we should be congratulated.

#### AGRICULTURAL FERTILIZER—AMONIA SULPHATE

##### AND OTHER PRODUCTS

Agricultural fertilizer is a great necessity for the production of foodstuff. Chemical fertilizers depend upon the ammonia sulphate extracted from coal. The Fushun coal yields especially good results. At present, our total consumption of ammonia sulphate is 500,000 tons. Of this, only half is manufactured at home, using the coal from the Kailan or the Fushun Mining Companies. The remaining half is imported from abroad at the cost of Yen 35,000,000 a year. With our agricultural work daily increasing and in view of the development of our new empire in Manchuria and Mongolia, we shall easily need 1,000,000 tons of ammonia sulphate every year during the next ten years. From the soot gathered from the burning of Fushun coal connected with the manufacture of steel, we could produce large quantities of ammonia sulphate. If the yield is put at 300,000 tons a year, we shall add an annual income of more than Yen 40,000,000. In fifty years, this will mount up to Yen 2,000,000,000. This money could be used for the improvement of our agriculture. If there is any surplus, we can buy bean-cakes with it and then invade the farms all over China and in the South Sea Islands. In order to accomplish this, we must separate this enterprise from the South Manchuria Railway. We shall then be able to control the fertilizers of the Far East.

#### SODA AND SODA ASH

We import 100,000 tons of Soda Ash at the cost of more than Yen 10,000,000 a year. Both soda and soda ash are valuable materials for military and industrial purposes. Soda is derived from nothing more than salt and coal, both of which are cheap and abundant in Manchuria and Mongolia. If we go into this manufacture, we can supply not only ourselves but can also sell it to China with a view to controlling its industrial products. We ought to gain from it a profit of at least Yen 15,000,000 a year. We can also supply our own military and chemical needs. Again this industry must be separated from the South Manchuria Railway.

#### MAGNESIUM AND ALUMINIUM

According to the independent surveys of the South Manchuria Railway Company and Dr. Honta of Tohoku University, magnesite and aluminium is a very promising business (in Manchuria.) Magnesite is found in the surroundings of Tashichiao, and aluminium in the vicinity of Yentai. The deposit is one of the largest in the world. A ton of magnesite is worth Yen 2,000 and a ton of aluminium is worth about Yen 1,700. An estimate of the deposits of both minerals in Manchuria is Yen 750,000,000. These substances are especially useful for making aeroplanes, mess kits in the army, hospital apparatus and vessels, and other important industries. The United States alone has extensive deposits of these substances. The output of our country is one ton a year! Such materials are becoming more useful every day, but the supply is insufficient. Its price is growing high, as if never reaching a limit. The deposits in our territory of Manchuria and Mongolia, are nothing less than a God-given gift. The metal is really precious, being indispensable to both our industry and national defence. It also should be made an independent business, separate from the South Manchuria Railway. Its manufacture should be in Japan so as to keep the Fengtien Government from imitating it on the one hand and to avoid the watchful eyes of the British and American capitalists on the other. After we

have gained control of it in the Three Eastern Provinces, we may harness the water power of the Yalu River to work on these metal ores. In view of the development of aircraft, in the future all the world will come to us for the materials necessary for aeronautics.

If all the enterprises mentioned above are made independent undertakings, they would make rapid progress and bring us at least a profit of 60 billion yen a year. The industrial development in South Manchuria means much to our national defence and economical progress. It will help us to build the foundation of an industrial empire. As to the cultural undertakings such as hospitals, schools and philanthropic institutions, they are our signal towers in the advance into Manchuria and Mongolia. They are the institutions for spreading our national prestige and power. More specifically, they are the baits for rights and privileges. Let us separate all these from the South Manchuria Railway in order that we may redouble our efforts and advance into North Manchuria to reclaim the sources of great wealth there.

When these important undertakings become independent and are free to develop without the interference of our officials, they will naturally become channels of national prosperity. On the wings of economic development, we could make rapid advance without either arousing the suspicion of the Powers or the anti-Japanese activities of the people of the Three Eastern Provinces. Such hidden methods would enable us to build the New Continent Empire with ease and efficiency.

The foreign loans for the South Manchuria Railway must be confined to those railroads already completed. Other railways built by us but nominally under Chinese control, can either be amalgamated with the completed lines or made independent according to the desire of the investing nations. The slogan of "Equal Opportunity" helps us to get foreign loans as well as to dispel suspicion of our designs in North Manchuria. At any rate, we shall need foreign capital to develop our continental empire. When the South Manchuria Railway is open



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to foreign investments, the powers will be glad to lend more to us and China can do nothing to block it. This is an excellent way to further our plans in Manchuria. We should lose no time in doing it. As to the wealth concentrated in the northern part of Manchuria and Mongolia, we should be likewise. The two new railways from Kirin to Huenining and from Changchun to Talai, as well as the lumber and mining interests, should also be managed as separate institutions.

The South Manchuria Railway will also be greatly enriched by our exploits in North Manchuria. Already Chinese immigrants are pouring into South Manchuria in large numbers. Their position will become stronger every day. As the right of renting land in the interior is not yet secured, our immigrants are gradually losing ground. Even if our government's backing will maintain our people there, they cannot compete with the Chinese due to the latter's low standard of living. Our only chance now is to defeat the Chinese by heavy capitalization. This again necessitates the use of foreign loans. This is so, especially because the riches of North Manchuria are even not accessible to the Chinese immigrants. We must seize the present opportunity, and hasten the progress of immigration by our own people and take possession of all rights there so as to shut out the Chinese. But in order to encourage immigration, rapid transportation is essential. This will both afford facilities to our people and bring the natural resources there to the would be market. Moreover, both Russia and ourselves have been increasing armaments. On account of geographical positions, we have conflicting interests. If we want to obtain the wealth of North Manchuria and to build up the New Continent according to the will of Emperor Meiji, we must rush our people into North Manchuria first and seek to break the friendship between Russia and China. In this way, we can enjoy the wealth of North Manchuria and hold at bay both Russia and China. In case of war, our immigrants in North Manchuria will combine with our forces in South Manchuria, and at one stroke settle the problem forever. In case this is not possible, they can still maintain their own in North Manchuria and supply the rest of

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us with food-stuff and raw materials. As the interests of North Manchuria and our country are so wrapped up, we should march directly into North Manchuria and pursue our settled policy

#### THE NECESSITY OF ESTABLISHING A COLONIAL DEPARTMENT

Our exploitation of Manchuria takes a variety of forms. Often those in authority take such different views that even the most profitable undertaking for our country cannot be carried out. Because of the lack of speed, our secrets are often exposed and are made propaganda materials by the Mukden government much to the detriment of our country in international relations. Whenever a new undertaking is projected in Manchuria and Mongolia, it will become the subject of discussion of tens of meetings and conferences in Dairen. Not only the approval of the four-headed government there is necessary, but also the sanction of the cabinet at home has to be secured before anything can be carried out. Because of all these obstacles, any undertaking will take months and months before any definite results are seen. In the process it is possible for the Chinese to employ Japanese adventurers to steal our secrets so that before a project is launched it is often reported to the Chinese and in turn it becomes common property of the world. We are suddenly brought under the check of world opinion, and more than once we have incurred hardship in putting into practice our policy toward Manchuria and Mongolia. Furthermore, the opposition party has also made capital out of what they find in these regions in order to attack the government. All these have many serious results in connection with our diplomatic relations. Henceforth, we must change our practice in order to proceed adroitly. The centre of control must be in Tokyo. That will (1) insure secrecy, (2) stop China from knowing before hand our plans, (3) avoid the suspicion of the powers before a thing is done, (4) unify the multiple control in Manchuria and (5) bring the government agencies in Manchuria and Mongolia in close touch with the central government so as to deal with China with undivided power. For these reasons we should follow the original plan for absorbing Korea laid down by Ito and Katsura and establish a Colonial Department.

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the special function of which is to look after the expansion in Manchuria and Mongolia. The administration of Formosa, Korea and Saghalien Island may be its nominal function, but our expansion in Manchuria and Mongolia is its real purpose. This will blind the eyes of the world on the one hand and forestall the disclosure of secrets on the other.

It is my personal conviction that the fact that the absorption of Korea could not be effected during the administration of Ito, is due to the lack of a special office for control. Therefore, there were always differences of opinion and secret policies were impossible. Such a state of affairs played into the hand of international obstruction and Korean opposition. Then a number of propagandists went to Europe and America as well as Korea itself, declaring that we firmly respected the independence of Korea and had no designs on an inch of Korean territory. The result of their work was the recovery of international confidence. After that, a colonial department was established under the pretence of Formosa. Then we seized the opportunity and the object was gained. It goes to prove that in order to undertake colonization and immigration, a special office for it is absolutely necessary. Moreover, the creation of a new empire in Mongolia and Manchuria is of utmost importance to the existence of Japan. It is necessary to have a special colonial office in order that the politics in that vast territory may be controlled from Tokyo. The officers in the field should only take orders: they should not interfere with the execution of policies where they please. This will insure secrecy; and the opposition nation have no chance of getting into the secrets of our colonial activities. Then our movement regarding Mongolia and Manchuria will be beyond the reach of international public opinion, and we shall be free from interferences.

As to the subsidiary enterprises of the South Manchuria Railway such as the Development Company, the Land Company and the Trust Company, the power of supervision and planning should also be in the colonial office. They should all be under united control, in order that they may all help in the general

policy of expansion in Mongolia and Manchuria of the Imperial Government and complete the creation of the new empire.

#### TALING RIVER VALLEY OF PEKING-MUKDEN RAILWAY

The Taling River Valley is a wide area sparsely populated but infested with bandits. Many Koreans have made investments here, especially in rice field. Judging from its resources, this region is bound to be prosperous. It will also be an advantageous foothold for us if we want to expand into the Jehol region. We should give full protection to our Korean subjects here and wait for an opportunity to secure from China the right of colonization so that our immigrants may live here and act as our vanguards to Jehol and Mongolia. In case of warfare, this valley will be a strategic point to quarter large armies of soldiers. We shall then not only check the Chinese soldiers from advancing north but also hold the key to the immense wealth of South Manchuria. When Koreans come into this region we should finance them through our Trust and other financial organs with a view to gaining for these organs the actual ownership while the Koreans may satisfy themselves with the right of farming only. Ostensibly the ownership of land must reside with the Koreans. It is a convenient way of securing rights from the Chinese government. Henceforth the trust companies and financial organs should give them full backing when our own and Korean subjects wish to gain land ownership. If they need money to buy farms from the Chinese, the financial organs should also come to their aid. Unnoticeably we shall gain control of the better rice fields, which we may give to our own emigrants. They shall displace the Koreans who in turn may go on opening new fields, to deliver to the convenient use of our own people. This is the policy with respect to the colonization of rice field and bean farms. As to the policy for herd farming, the Development Company should be especially entrusted gradually to expand, eventually placing all the wealth of herds at the disposal of our country. This same company may also take care of horse breeding and select the best out of Mongolia for the use of our national defence.

#### PRECAUTION AGAINST CHINESE MIGRATION

Recently the internal disturbances in China have driven large hordes of immigrants into Mongolia and Manchuria, thereby threatening the advance of our migration. For the sake of our activities in this field we should not fail to take precautions. The fact that the Chinese government welcomes this migration and does nothing to hold back the tide oppresses our policy even the more seriously. A noted American sinologue has made the statement that the Mukden authorities are carrying out such effective government that all people are moving into their territory. Therefore, the influx of immigrants is looked upon as a mark of effective government of Mukden authorities. We, of course, are concerned. Unless we put a stop to it, in less than ten years our own policy of emigration will prove an instrument for China to crush us with. Politically we must use police force to check this tendency as much as possible and economically our financiers should drive the Chinese out with low wages. Furthermore, we must develop and expand electric power to displace human labor. This will keep out Chinese immigrants as well as monopolize the control of motor force as a first step toward controlling the industrial development of this vast region.

#### HOSPITALS AND SCHOOLS

Hospitals and Schools in Manchuria must be independent of the South Manchuria Railway. For the people have often considered these as institutions of imperialism and refuse to have anything to do with them. When these are separated and made independent institutions we shall be able to make the people realize our goodness so that they will feel thankful to us....But in establishing schools emphasis should be laid on normal schools for men and women. Through these educational work we may build up a substantial good-will among the people towards Japan. This is our first principle of cultural structure.

#### HIGH LIGHTS OF THE MEMORIAL

1. For settling difficulties in Eastern Asia, Japan must adopt a policy of "Blood and Iron."
2. In order to conquer the world, Japan must conquer Europe and Asia; in order to conquer Europe and Asia, Japan must conquer China, and in order to conquer China, Japan must first Conquer Manchuria and Mongolia. Japan expects to fulfill the above programme in ten years.
3. Japan regrets that she has signed the Nine-Power Treaty which was intended by England and America to crush her interests in Manchuria, for thereby she agrees that Manchuria and Mongolia are Chinese territory. This has greatly hampered the freedom of Japanese policy in Manchuria.
4. Japan believes wars in near future with U.S.A. and with Russia are inevitable, so in order to get militarily prepared Japan must build the Kirin-Hueining and Changchun-Talai railways in Manchuria.
5. The South Manchuria Railway Co., act in Manchuria as the Governor-General in Korea. In order to blind the eyes of the world and forestall the disclosure of secrets at present, the Colonial office nominally controls affairs of Formosa, Korea, and Saghalian islands, only, while really it manages affairs of Manchuria.
6. Japan must take strong steps on basis of Twenty-one demands, to secure priority for building railroads, right of timbering and exploiting 19 iron and coal mines in Fentien.
7. Japan should spend yen 1,000,000 from "Secret funds" of Army department in order to send 400 retired officers disguised as teachers and traders, scientists, and Chinese citizens to Mongolia to influence the Mongolian princes to revolt against China.



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8. Koreans should be utilized by Japan as vanguard for colonization of and as spearhead for penetration into Manchuria and Mongolia.

9. Taking advantage of the local disorder in Fengtien, Japan should manipulate the situation so that the Fengtien Bank notes will depreciate to zero, and the Yen will take its place.

10. Japan must enjoy monopoly of supplies of beans bean cakes timber, coal, iron, fur, wool, and all other products of Manchuria and Mongolia and perfect control of transportation so that Chinese influence would be wiped out, and Europe and America, when in need of these supplies, would be at the mercy of Japan.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

MET

GRAY

Geneva

DEPARTMENT OF STATE

FEB 5 1932

DIVISION OF  
WESTERN EUROPEAN AFFAIRS

FROM

DIVISION OF

Dated January 28, 1932

Rec'd 3:03 p.m.

Secretary of State,

Washington

46, January 28, 11 a.m. (SECTION ONE)

Consulate's 40, January 27, 11 a.m.

Drummond has made available to me the developments

which took place in a private session of the Council which was held late yesterday evening to receive Boncour's report on his conversations with the Chinese and Japanese representatives the night before and to continue its general discussion on policy.

One. Proposed declaration of President.

Following the meeting, a drafting committee met and worked out a tentative draft of a declaration to be presented by the President of the Council on behalf of his colleagues. The text of this declaration will be presented to a private meeting of the Council at noon today. The final text will be telegraphed to the Department as soon as it is available. I understand, however, that the text as proposed contains

Division of  
FAR EASTERN AFFAIRS  
JAN 29 1932  
Department of State

F/LS

793.94/3686

793.94  
note

500.2112  
793.94-Comm.  
893.102-S

FEB 6 1932  
F/LS

MET

2-#46 from Geneva, January 28,  
11 a.m. (SECTION ONE)

contains the following elements. It recalls that the resolutions of September 20th and December 10th are still operative; it states that the Council has no intention of relaxing the efforts which "with the invaluable assistance of the United States" it has made for the last four months and it deplores the intensification of the conflict now affecting China and Japan which is declared to be all the more serious in view of the world economic situation; it asserts that no permanent settlement can be obtained by force, either military or economic; it calls attention to the fact that the elements of conciliation have begun to operate through the creation of the Commission whose work is being expedited; it quotes textually Yoshizawa's declaration alluded to by Sato (referred to in Consulate's 32, January 25, 10 p.m., paragraph No. 3); it concludes with a reference to the American note of January 7 and to Article 10 of the Covenant.

This section which is recognized as the most significant part of the declaration is tentatively worded as follows:

"The members of the Council are acquainted also with the text of the note addressed to both Governments on January 8th last by the Government of the United States. May

MET

3-#46 from Geneva, January 28,  
11 a.m. (SECTION  
ONE)

I be permitted to say how much we appreciate the fact that in this note the Government of the United States expresses its confidence<sup>d</sup> that the work of the Commission named by the Council will be of a nature to facilitate the solution of the present difficulties. In this note the Government of the United States recalls to the parties the treaties which bind them. On our part, we declare that a settlement of difficulties existing between two governments members of the League of Nations ought not to be sought by arrangements incompatible with international obligations and notably obligations resulting from Article 10 of the Covenant by the terms of which they are engaged to respect the territorial integrity and political independence of all members of the League of Nations. It would be impossible for the League of Nations to approve a settlement obtained by violence, incompatible with the principles above mentioned".

With reference to the foregoing it appears that the principal discussion in the Drafting Committee centered on this element in the declaration. The association of the League with the policy expressed in the American note was accepted in principle without debate and also without any

echo of

MET

4-#46 from Geneva, January 28,  
11 a.m. (SECTION ONE)

echo of the viewpoint advanced by Marinkovitch (Jugoslavia) the day before. There was, however, considerable doubt as to the best procedure to effect this "association". Action taken by a single government and action taken by the League as an organization were considered to have very different juridical import. A single government in a note such as that of the United States might embody a unilateral declaration of its own policy which it could, however, at any time change as circumstances necessitated and which, moreover, would not create juridical rights or obligations for any other powers. On the other hand a declaration by the League could in effect be regarded in the light of a permanent policy which might very well create an obligation for all member states and which an interested state such as China might call on its associated states to fulfill. The Drafting Committee, therefore, sought to exercise most particular care in this matter of citing the American note and of associating the members of the Council with the obligations for respect of existing treaties and for non-approval of a settlement obtained by violence incompatible with the principles

1294  
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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

5-#46 from Geneva, January 28,  
11 a.m. (SECTION ONE)

principles set forth. It was clear, however, that in so far as the Drafting Committee was concerned there was a strong desire to take the same line as the United States. Yen had strongly urged this course on Boncour the previous evening. It remains to be seen still whether in its private session the Council will do the same.

(END SECTION ONE)

GILBERT

KLP-HPD

REP

TELEGRAM RECEIVED ~~BY~~ AND GREEN

GENEVA

FROM

Dated January 28, 1932

Rec'd 3:30 p. m.

Secretary of State, JAN 28 1932  
DIVISION OF  
Washington.

46, January 28, 11 a. m. (SECTION TWO).

Two. Procedure.

The procedure as now foreseen is for a private meeting of the Council at noon today to consider the draft text of the President's declaration. If accepted in the private session it is hoped to present it at a public meeting Friday at which any member of the Council or either of the two parties would be granted the opportunity to make any statements. The Council would then wish to consider this matter closed for the moment in view of the opening of the Disarmament Conference Tuesday and the early departure of the Commission. It is however still very uncertain whether the Chinese delegate will be satisfied without further discussion and without obtaining what he considers more substantial results.

Three. Possible Japanese declaration.

Some question arose in the private meeting of the Council as to whether it would be wise to press the Japanese for a further declaration.

Cecil

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

REP

2- #46, from Geneva, Jan. 28, 11 a. m.  
(Section Two).

Cecil expressed a certain apprehension on this point. He pointed out that at Paris (#) had accepted very precise obligations to take no further action against bandits but that Japan had given these obligations an extreme interpretation not contemplated by any member of the Council. He had been much preoccupied with the danger that this incident might weaken the position of the League and the obligations under the Covenant and establish precedents which would be dangerous for future crisis. To rely simply on a Japanese statement would not give the public the impression that the Council had taken adequate measures to safeguard the League.

Fotich, Yugoslavia, pointed out that Yoshizawa's as quoted by Sato was a very sweeping one and had the merit of not being surrounded with the reservations common to other Japanese declarations concerning the safety of their nationals. He thought therefore that it might be best to let the Japanese position rest there and not attempt to get a further statement.

Zaleski, Poland, similarly thought it would be difficult to get the Japanese to make still another statement and thought the wisest course would be for the Council to quote the statement already made. This view was generally



REP

2- #46, from Geneva, Jan. 28, 11 a. m.  
(Section Two).

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REP

3- #46, from Geneva, Jan. 28, 11a.m.  
(Section Two).

was generally accepted.

Four. The Commission.

*note  
MR 21  
24-comm.*

Boncour reported that Yen had strongly insisted upon the urgency of the Commission's arrival and on the satisfaction and appeasement which would be thus provided. Despite the explanations given by Drummond Yen still clung to that view which was also shared by certain members of the Council. Drummond replied that it was an issue whether the Council wanted to satisfy public opinion or to obtain results. He stated categorically that if the Commission proceeded first to Manchuria its work in the present circumstances would be doomed to failure. The Commission had decided that it was essential to establish contact with the sources of power at Tokyo and Peking. He begged the members of the Council not to attempt to interfere with the decision taken by the Commission after great consideration. He felt that an explanation of the Commission's decision might be incorporated in the President's declaration.

Rosso, Italy, felt that it would be very difficult and would have a serious effect to change the plans of the Commission at this moment.

Cecil held

REP

4- #46, from Geneva, Jan. 28, 11 a.m.  
(Section Two).

Cecil held that not only had the Commission been given full freedom by the Council but what was still more important it was thoroughly proper that it should first go to Tokyo to learn what directives were being given to Japanese policy in Manchuria.

Colban, Norway, thought it would be unwise to expose the Commission to a change involving the displeasure of one of the two parties.

Avenol pointed out that it was the Commission's task to cover the whole subject and not Manchuria alone.

Madariaga expressed himself as being still unsatisfied. He felt that the present itinerary showed the predominance of the Japanese viewpoint and that as Manchuria lay on the direct and shortest route it was ridiculous for the Commission to travel the other way round.

It is generally believed that no change is likely respecting the plans of the Commission.

Five. Shanghai.

Boncour stated that he had informed Sato of the deplorable effect that would result from a new incident. Sato said that he understood this and that Japan would do nothing to affect the international city in Shanghai, an international city. He added that

negotiations were now under way and that satisfaction had been given to all Japan's demands except one. Boncour stated in reply that surely in this case Japan would not go to

note  
393,152-5

REP

5- #46, from Geneva, Jan. 28, 11 a.m.  
(Section Two).

go to the extreme of landing troops. Sato said that he could give no positive assurances on this point but that such action would not be taken if all Japan's terms were accepted.

At this point Cecil pointed out that the Chinese and international cities were in juxtaposition and that the Japanese press was saying that now was the important moment to stop the boycott in China which would of course involve far more than the occupation of a few buildings in Shanghai.

January 28, 4 p. m.

(END OF MESSAGE).

GILBERT

WSB

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigson NARS, Date 12-18-75

*FILE*  
*GOE*

mam

TELEGRAM RECEIVED

This telegram must be closely paraphrased before being communicated FROM to anyone.

GENEVA

Dated January 28, 1932  
DEPARTMENT OF STATE

Rec'd 3:30 p.m. *WAF*  
FEB 5 1932

Secretary of State

Washington

48, January 28, 4 p.m.

STRICTLY CONFIDENTIAL

*WAF*  
DIVISION OF  
EASTERN EUROPEAN AFFAIRS  
JAN 29 1932  
Department of State  
*WAF*

F/LS  
793.94/3687

*793.94*  
*note*  
*500 C 114*

The situation as it has developed may be summarized as follows:

One. Yen feels that a mere "declaration" by the President of the Council in any terms is of no value to him. If he be asked to express his views on the draft declaration (Consulate's 46, January 28, 11 a.m., paragraph one) before it is presented to the Council, he will make no comment nor will he disclose the steps he intends to take.

Two. If the situation remains unchanged at the time of the public meeting of the Council which will be probably held tomorrow Yen will make a formal statement before the Council addressed to the Secretary General declaring that Articles 10, 12 and 13 of the Covenant have been violated

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FEB 6 1932

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2- #48, from Geneva, January 28,  
1932

violated and invoking Articles 10 and 15 with the proviso  
that this action in no way derogates China's rights under  
Article 11.

This will be seen to be a modification of the plans  
outlined in Consulate's 35, January 26, 4 p.m., paragraph  
one (b); and 43, January 27, 3 p.m., paragraph one.

Three. The results which may follow from such action  
are of course a matter for speculation. It is particularly  
difficult to forecast definite technical or concrete re-  
sults. The policy which appears to be animating China  
at present is that she feels that to keep her case before  
the public and to win favorable world opinion she must  
invoke all her rights.

Four. From the foregoing the invocation by China of  
the Nine Power Treaty would seem to become a more part of  
her program.

WSB

GILBERT

cib

TELEGRAM RECEIVED

GREEN

Geneva

Dated January 29, 1932

Recd 6:40 a.m.

FROM

DEPARTMENT OF STATE

FEB 5 1932

DIVISION OF

WESTERN EUROPEAN AFFAIRS

Secretary of State

Washington

DOUBLE PRIORITY.

50, January 29, 9 a.m.

Consulate's 48, January 28, 4 p.m., paragraph two.

Yen is this morning addressing the following letter to the Secretary General. He is taking this action without awaiting a public meeting of the Council which is at present set for this afternoon.

"Under instructions from my government I have the honor hereby to give notice as follows:

One. A dispute between two members of the League of Nations, to wit: China and Japan, arising from the aggression of the latter against the territorial and administrative integrity and political independence of the former in violation of the provisions of the Covenant of the League of Nations, exists.

Two. This dispute has not been submitted to arbitration or to judicial settlement in accordance with any of

F/LS 793.94/3688

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-2- No. 50 from Geneva

any of the articles of the Covenant.

Three. The said dispute has now reached a stage when it is likely to lead to an immediate rupture between China and Japan.

Four. China hereby invokes the application (not in derogation of the measures taken or which may be taken by the League in the exercise of its functions under Article 11 but in addition thereto) both of Article 10 and of Article 15 of the Covenant to said dispute and formally submits the said matter to the Council for all appropriate and necessary action under both of said articles.

Five. For this purpose China begs leave to refer to, and hereby adopts as and for the statement of its case comprising the relevant facts and papers in relation to said matter, all the statements and papers heretofore made and submitted by China in the proceedings of the Council taken in said controversy under Article 11 of the Covenant from September 18, 1931, to the date hereof."

Yen is informing the press of the general nature of this action but is not repeat not giving the press the text of his letter.

GILBERT

CIB



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TELEGRAM RECEIVED

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G.N.I. AND M.I.D.

REP

FROM

GRAY

Shanghai via N. R.

Dated January 29, 1932

Rec'd 28th, 11:28 p. m.

DIVISION OF

Secretary of State,  
Washington.

January 29, 7 a. m.

Division of  
FAR EASTERN AFFAIRS  
JAN 29 1932  
Department of State  
NEW

F/LS

793.94/3689

793.94  
note  
893.102

Japanese navy with slight resistance occupied Chapei about midnight while all were lulled into a (?) of relief by the assurance of Japanese to full body at four o'clock yesterday afternoon. The troop movements are stated to be on the ground of protection of large number Japanese in Chapei. Occasional heavy artillery is heard in that direction as well as planes plainly visible. Details will follow.

Repeated to Department.

CUNNINGHAM

HPD  
WSB

FEB 4 1932  
FILED

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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GRAY

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

RECEIVED

FROM

Shanghai via N.R.

Dated January 29, 1932

Rec'd 4:30 a.m.

Secretary of State,

Washington

January 29, 10 a.m.

Japanese naval units now at Shanghai comprise: 17  
destroyers, 4 cruisers, 1 aircraft carrier, 1 gunboat.  
Of these units 12 destroyers and 1 cruiser arrived yesterday.

Repeated to the Legation.

CUNNINGHAM

WSB-HPD

F/LS

793.94/3690

793.94  
note  
894.3393

Division of  
FAR EASTERN AFFAIRS  
JAN 29 1932  
Department of State  
NEW

FEB 4 1932

TELEGRAM RECEIVED

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

REP

FROM

GRAY

Peiping via N. R.

Undated

Rec'd January 29, 1932  
4:30 a. m.

Secretary of State,  
Washington.

144, Undated.

Following from American Consul General at Mukden:

"January 28, 3 p. m.

Officially announced this morning that one infantry  
battalion and one artillery battalion accompanied by  
several air craft left Changchun for Harbin at 9 a. m.  
today.

It is understood that they are travelling in trucks."

JOHNSON

HPD

KLP

F/LS 793.94/3691

FILED

FEB 5 1932

793.94

Division of  
FAR EASTERN AFFAIRS  
JAN 29 1932  
Department of State

1300  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

TELEGRAM RECEIVED

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

GRAY

Shanghai via N.R.

Dated January 29, 1932

Rec'd 9:05 a.m.

FROM

RECEIVED

Secretary of State,

Washington

PRIORITY.

January 29, 6 p.m.

Division of  
FAR EASTERN AFFAIRS  
JAN 29 1932  
Department of State  
NEW

F/LS

793.94/3692

793.94  
note  
893.1025  
893.516  
893.5045

Four Chinese members of the Shanghai Municipal Council called on me at noon in connection with use (?) forces International Settlement as a base of operations. They stated they were entering a protest through the Chairman of the Council to Senior Officer of the defense forces and that they would probably also protest to me. No protest received as yet but the matter may become important.

Two. I have received notification from Shanghai Bankers Association that Chamber of Deputies has decided to institute a general strike as a protest and sign of national indignation against military action by Japan last night. They stated that this action was taken in spite of definite agreement having been reached through their efforts to meet all Japanese demands. Chinese bankers have also declared a temporary stop of business in the near future. Repeated to the Legation.

CUNNINGHAM

HPD-WWC

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

*del #1, Feb 1, to Nanking  
Nanking "proposed powers"*

**TELEGRAM RECEIVED**

REP

GRAY

FROM

Nanking

Dated January 29, 1932

Rec'd 7:58 a. m.

*793.94  
note  
893.102 S  
893.000  
711.0012 anti-war  
5-00-246*

Secretary of State,  
Washington.

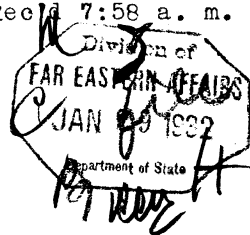
18, January 29, 1 p. m.

One. Lo Wen Kan was yesterday appointed Minister of Foreign Affairs and Wang Ching Wei President of the Executive Yuan. Both have today assumed office.

Two. The Minister of Foreign Affairs asked me to call on him at 11.45. Hsu Mo, who will be appointed Vice Minister, was also present. The Minister of Foreign Affairs gave me an account of the hostilities between Japanese and Chinese troops at Shanghai beginning at about January 28, midnight as they have been reported to the Chinese Government. He depicted the extreme gravity of the situation and then gave me an oral message which he requested that I telegraph direct to the Department in view of the urgency of the situation at Shanghai. The substance of his message is as follows:

Two. "China as a signatory power to the Nine Power Treaty and the Pact for the Renunciation of War has consistently endeavored throughout the controversy with

Japan



F/LS 793.94/3694

FILED

REP

2- #18, from Nanking, Jan. 29, 1 p.m.

Japan to fulfill her obligations under those treaties. Adherence to these covenants has not, however, deprived China of right to act in self-defense and there is a limit to the power of endurance and restraint of any nation. The act of the Japanese forces at Shanghai during the night of January 28th in invading Chinese territory and attacking Chinese forces was a violation by Japan of both of the treaties named and every moment threatens to bring China to the point at which it will be impossible to restrain the Chinese people from taking measures of self-defense. The Chinese Government invites special attention to the fact that the Japanese attack on Chinese forces started about midnight whereas 1:45 in the afternoon of the same day the Chinese authorities delivered to the Japanese a reply to the Japanese demands which the Japanese themselves had admitted was satisfactory. China is determined to refrain as long as possible from engaging in war with Japan but action in self-defense under conditions like this may become inescapable. The character of Shanghai as a huge international center makes the threat of military action there more than a question involving China and Japan alone for the danger and loss

REP

3- #18, from Nanking, Jan. 29, 1 p.m.

and loss will involve many nations. In these circumstances China as a signatory to the two treaties named, appeals to the United States as the nation which may be regarded as primarily responsible for those covenants to take immediate friendly measures to bring the hostile acts on the part of Japan to an immediate end. A similar appeal is being made orally to the Governments of France and Great Britain through their diplomatic officers in Nanking. The Minister of Foreign Affairs has telegraphed to the American Minister at Peiping asking him in view of the grave situation at Shanghai to come to Nanking at once."

Repeated to Legation.

PECK

RR

WSB

ALP GRAY  
**TELEGRAM RECEIVED**

76  
Nanking via N. R.  
Dated January 29, 1932.  
Rec'd. 11:20 a.m.

FROM

RECEIVED  
JAN 29 1932  
DIVISION OF

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

Secretary of State,  
Washington.

18, January 29, 1 p.m.

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Two. The Minister of Foreign Affairs asked me to call on him at 11:45. Hsu Mo who will be appointed Vice Minister was also present. The Minister of Foreign Affairs gave me an account of the hostilities between Japanese and Chinese troops in Shanghai beginning at about January 28, 11 p.m. as they have been reported to the Chinese Government. He depicted the extreme gravity of the situation and then gave me an oral message which he requested that I telegraph direct to the Department of State view of the urgency of the situation at Shanghai. The substance of his message is as follows:

Two. "China as a signatory power to the Nine Power Treaty and the Pact for the Renunciation of War has consistently endeavored throughout the controversy with Japan to fulfill her obligations under those treaties.

Adherence

FW 793.94/3694

FILED

FEB 4 1932



#18 from Nanking - page 2

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the

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

#18 from Nanking - page 3

the Governments of France and Great Britain through their diplomatic officers in Peiping. The Minister of Foreign Affairs has telegraphed to the American Minister at Peiping asking him in view of the grave situation at Shanghai to come to Nanking at once.

Repeated to Legation, also repeated by land wire.

PECK

WSB

TELEGRAM RECEIVED

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

MET

GRAY

Shanghai via N.R.

Dated January 29, 1932

Rec'd 9 a.m.

FROM

TO

DIVISION OF

Secretary of State,

Washington

PRIORITY.

January 29, 4 p.m.

My telegram of January 29, 7 a.m.

The military occupation of Chapei by the Japanese forces continues. Chinese resistance appears to be increasing.

Two. The Japanese Consulate General and Japanese Admiral state that their occupation of Chapei was a measure for the protection of their nationals and a part of the general defense scheme of the Settlement; that it was not connected with the Consul General's demands. They said that in engagement last night and early this morning Japanese suffered 95 casualties, including 11 killed. Chinese casualties unknown but must be many times heavier.

Three. I received a call this morning from Mayor Wu. He was very anxious that something be done to stop the fighting since he declared Japanese forces undoubtedly endanger

RECEIVED  
FAR EASTERN AFFAIRS  
14 JAN 29 1932  
Department of State

F/LS 793.94/3695

FILED

FEB 4 1932

793.94  
note  
893.102  
893.77

MET

2-from Shanghai via N.R.,  
January 28, 4 p.m.

endanger the Settlement. British Consul General and myself called on Japanese Consul General and Japanese Admiral on behalf of preserving International Settlement. Fuller details will be reported later date.

893-77  
Four. Latest development is that Japanese have cut Shanghai-Hangchow Railway at bridge over Soochow Creek behind (?) field (?) and British forces holding that sector have retreated. This may be the forerunner of more extensive military operations. Heretofore the Japanese military operations have been confined almost entirely to Chapei. Japanese deny report published in press this morning that they had attacked Woosung forts. Repeated to the Legation.

CUNNINGHAM

HPD


DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

January 30, 1932.

NOTE: The police of the International Settlement have for many years policed certain Shanghai Settlement municipal roads in the Chapei area outside the Settlement, particularly North Szechuan Road. In addition the North Szechuan Road district has in the past been occupied by Japanese military forces in accordance with the general defense scheme for Shanghai.



TELEGRAM RECEIVED

REF

FROM

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

PEIPING

Dated January 29, 1932

Rec'd 7:38 a. m.

Secretary of State, DIVISION OF  
Washington.

148, January 29, 5 p. m.

Following telegram has been sent to Shanghai:

"January 29, 3 p. m.

Your January 27, 2 p. m., January 28, 2 p. m., and  
January 28, 6 p. m.

Legation approves handling of delicate situation which has developed in Shanghai and hopes that no effort will be spared to prevent volunteers and settlement authorities becoming involved in what is primarily a quarrel between Japanese and Chinese.

Telegrams from commander-in-chief up to six a. m. this morning report occupation of Chapoi by Japanese and bombardment of Woosung by Japanese naval vessels. I understand from your January 28, 2 p. m. that Japanese are respecting neutrality of Settlement, Japanese Admiral having waived rights of Senior officer in connection with Settlement defense, so that question raised in paragraph eight of your January 27, 2 p. m., has been satisfactorily met.

F/LS 793.94/3696

FILED

FEB 5 1932

793.94  
notes  
893.1025

FAH EASTERN  
JAN 23 1932  
Department of State

132  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

2- #148, from Peiping, Jan. 29, 5 p.m.

met.

I am particularly alarmed at suggestion made to Secretary General of Council, reported in your January 28, 2 p. m., that the Settlement police should undertake policing of territory occupied by Japanese. I am anxious that we should avoid any step that might involve us in these matters and I believe that at Shanghai you should use every occasion to persuade Municipal Council against taking any such step."

JOHNSON

WSB

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM SENT

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect  
Charge Department  
OR  
Charge to  
\$

Department of State

1-138  
TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Washington,

January 30, 1932.

This cable was sent in confidential code.  
It should be carefully paraphrased before  
being communicated to anyone.

2 PM

AMLEGATION

PEIPING (China).

36

CONFIDENTIAL

Your 148, January 29, 3 p.m., last paragraph!

The Department feels that, for the present, authorities  
of the International Settlement and the defense forces  
at Shanghai should confine their activities strictly to  
the maintenance of peace and order in the Settlement and  
other areas in which they have hitherto thus functioned.

Stinson

793.94/3696

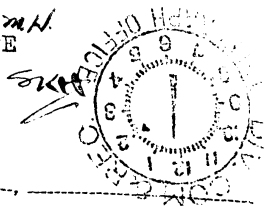
FE:JES:AT

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_

Index Bu.—No. 50.

JAN 30 1932



REC'D

GOVERNMENT PRINTING OFFICE: 1925 1-138



1322  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

C F E

TELEGRAM RECEIVED

FROM

REP

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

TOKIO

Dated January 29, 1932

Rec'd 7:23 a.m.

793.94  
note  
898102 S.  
Secretary of State,  
Washington.

28, January 29, 5 p. m.

Division of  
FAR EASTERN AFFAIRS  
JAN 29 1932  
Department of State

F/LS  
793.94/3697

CONFIDENTIAL. The Belgian Ambassador has frequently called upon me recently and expresses great anxiety over the situation. He feels the Japanese Army has got out of control, our dealings diplomatically being with a branch of the government un(?) and with no power either of telling what the military and naval branches of the government are going to do or of making them conform to any representations it may make. He foresees additional trouble and is keeping in constant touch with me.

The British Ambassador is also in touch with me and under instructions from his Government is visiting the Foreign Office this afternoon.

(GRAY). Our Naval Attache has received an official account from the Japanese Navy Department of events so far. They state that the landing of Japanese forces was with an understanding with the Shanghai Municipal authorities, as indicated

FILED  
FEB 4 1932

1/2 132  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

2- #28, from Tokio, Jan. 29, 5 p.m.

indicated in my telegram No. 26, January 28, 9 p.m.  
to protect Japanese residents outside of Settlement zone.  
He is wiring details of sharp clash with Chinese regular  
army, and reports additional Japanese cruiser and four  
destroyers are being sent to Shanghai.

FORBES

HPD

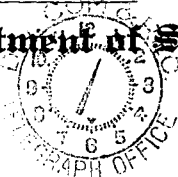
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lutz NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
+ WILL INDICATE WHETHER

Collect  
Charge Department  
OR  
Charge to  
\$

TELEGRAM SENT

Department of State



Washington,

January 29, 1932.

1-138  
TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

JAN 29 32

AMERICAN CONSUL

792-1/3697 SHANGHAI (CHINA).

Tokyo Embassy reports under date of January 29,  
5 p.m. <sup>3697</sup> that our Naval Attaché at Tokyo had received  
an official account from the Japanese Navy Department  
of events at Shanghai so far. The naval authorities  
state that the landing of Japanese forces was with an  
understanding with the Shanghai municipal authorities,  
QUOTE to protect Japanese residents outside of Settlement  
zone UNQUOTE. Do you know of any such understanding with  
the municipal authorities?

Repeat to Legation, Peiping, for its information.

*Stimson*

*SKH*

*RAM*  
FE:RSM:LM

FE

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_, \_\_\_\_\_

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1926 1-138

793.94/3697

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

MEC  
A portion of this telegram  
must be closely paraphrased  
before being communicated ~~FROM~~  
to anyone.

DEPARTMENT OF STATE  
Geneva FEB 5 1932  
Dated January 29, 1932  
DIVISION OF  
EASTERN EUROPEAN AFFAIRS  
Rec'd 10 a.m.

Secretary of State,

Washington

DOUBLE PRIORITY.

64, January 29, 12 noon.

(GREEN) Cecil has just informed me that at an informal

meeting of the representatives of Great Britain, Germany and  
Italy called by Boncour this morning the following policy  
was tentatively decided upon to meet the new position taken  
by Yen in his letter of January 29th (Consulate's 50, Janu-  
ary 29, 10 a.m.)

An endeavor will be made to have the procedure in the  
Council meeting set for this afternoon take the following  
course: (END GREEN)

One. The President will read the declaration reported  
in Consulate's 49, January 28, 7 p.m., section one, deleted  
of certain of its more "optimistic" features.

Two. Yen's letter of January 29 will be presented.

Three. The President will place before the Council a  
project for the Manchurian Commission to proceed at once on

the

793.94  
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✓ 00. C 117  
793.94. com  
mission

Division of  
FAR EASTERN AFFAIRS  
JAN 29 1932  
Department of State

F/LS  
793.94/3698

FEB 6 1932  
FBI

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

MEC

A portion of this telegram  
must be closely paraphrased  
before being communicated <sup>FROM</sup>  
to anyone.

Secretary of State,

Washington

DOUBLE PRIORITY.

52, January 29, 12 noon.

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meeting of the representatives of Great Britain, Germany and  
Italy called by Boncour this morning the following policy  
was tentatively decided upon to meet the new position taken  
by Yen in his letter of January 29th (Consulate's 50, Janu-  
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DEPARTMENT OF STATE  
Geneva FEB 5 1932  
Dated January 29, 1932  
DIVISION OF  
WESTERN EUROPEAN AFFAIRS  
Rec'd 10 a.m.

Division of  
FAR EASTERN AFFAIRS  
JAN 29 1932  
Department of State

F/LS  
793.94/3698

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note  
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mission

FILED  
FEB 6 1932

MET

2-#51 from Geneva, January 29,  
12 noon.

the Trans-Siberian route to Shanghai.

Four. The President will propose that pending the arrival of Commission at Shanghai a temporary commission be set up on the spot "to inquire into the facts".

Five. The temporary commission will presumably be composed of nationals of the same governments whose nationals are serving on the present Commission. Precisely how the temporary commission will be constituted, its terms of reference, and how its members will be chosen are not yet decided.

GILBERT

WSB

TELEGRAM RECEIVED

MET

This telegram must be  
closely paraphrased be-  
fore being communicated FROM  
to anyone.

London

Dated Jan 29, 1932

Rec'd 9:40 a.m.

Secretary of State,

Washington

RUSH.

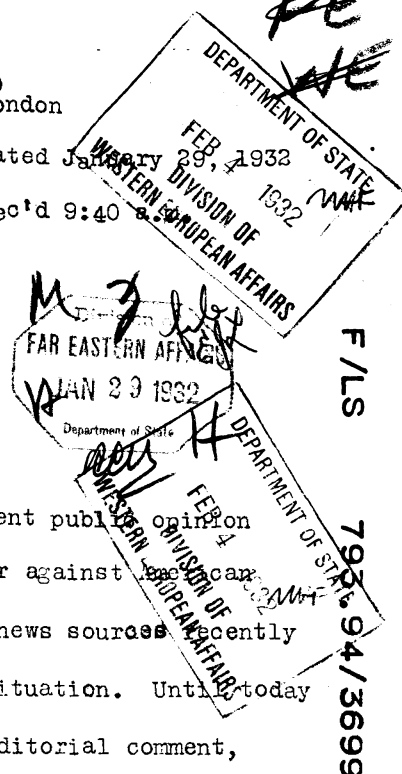
29, January 29, 1 p.m.

Obviously in an attempt to prevent public opinion  
from crystallizing prematurely for or against American  
viewpoint and/or Japanese, official news sources recently  
have been playing down Far Eastern situation. Until today  
the press has made little, if any, editorial comment,  
although the conjectures of Washington press correspondents  
as to conversations between British Ambassador and yourself  
have been widely printed.

Today's editorial leaders, however, recognize the grav-  
ity of the Shanghai situation and in general urge Great Brit-  
ain's decision be reserved, apparently in the hope that  
Japanese operations will not embroil British interests  
such an extent that Great Britain is forced into open action  
Obviously, however, events during the last twenty-four hours  
have clarified the official mind and an American press

correspondent

793.94  
note  
893.102 S



FILED

MET

2-#29 from London, January 29,  
1 p.m.

correspondent advises me he has been informed by Foreign  
Office this morning;

One, that official representation has been made of  
Tokio Government today to refrain from any action within  
the International Settlement without previously consulting  
interested governments;

Two, information has been requested of Tokyo Government  
as to their official reports on Shanghai situation;

Three, British Government has officially confirmed  
United States Government of one and two and asked United  
States to take similar action.

ATHERTON.

HPD



TELEGRAM RECEIVED

REP

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

PLAIN

FROM

Peiping via N. R.

Dated January 29, 1932

Rec'd 9:25 a. m.

Secretary of State,  
Washington.

145, January 29, 2 p. m.

Following from Reuter, Shanghai, January 28th and 29th:

"The Shanghai Municipal Council has declared that a  
state emergency exists in Shanghai.

It is learned that this and the mobilization of the  
Shanghai volunteers is due to a threat by Chinese troops  
outside the Settlement to bombard Shanghai.

It is reliably estimated that there are now twenty-  
four thousand Chinese troops on the borders of the Settle-  
ment and their possible actions are causing anxiety. It  
is hoped that they will peacefully withdraw but as they  
are somewhat out of hand this seems unlikely and therefore  
the question for decision now is, shall the Japanese clear  
them off or shall this devolve jointly on the Japanese,  
British, American and other troops stationed here.

(END PART ONE).

JOHNSON

WWC  
KLP

F/LS 793.94/3700

FEB 4 1932

FILED

793.94  
note  
893.102-3

TELEGRAM RECEIVED

MET

PLAIN

Feiping via N.R.

FROM

Dated January 29, 1932

RECEIVED

Rec'd 9:30 a.m.

JAN 29 1932

VISION OF

Secretary of State,

Washington

145, January 29, 2 p.m. (PARTS TWO TO SIX, END MESSAGE).

The Settlement defense authorities are moving quickly to prevent possible disorder following any action either by Chinese or Japanese. All sectors will be guarded; British troops will take over the Hungajo defense lines, the Americans will watch Avenue Haig and the Soochow Creek defense lines, while the Japanese are now guarding the Hongkew sector and the Yangtze Poo area.

The French forces in the French concession are actively cooperating with the authorities of the International Settlement.

American, British and French warships are taking precautionary measures, all leave passes have been withdrawn, the men having orders to stand by.

Although the Chinese acceded to the Japanese demands the Japanese Admiral, Shiosawa, decided to occupy Chapei tonight.

Admiral

MET

TELEGRAM RECEIVED PLAIN

Paiping via N.R.

FROM

RECEIVED

JAN 29 1932

SECTION OF

Dated January 29, 1932

Rec'd 9:30 a.m.

Secretary of State,

Washington

145, January 29, 2 p.m. (PARTS TWO TO SIX, END MESSAGE).

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Admiral

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2-#145 Peiping via N.R.,  
January 29, 2 p.m.  
PARTS TWO TO SIX, END MESSAGE)

Admiral Shiosawa has been reported to have stated  
"The Japanese Navy has decided to distribute naval forces  
in the Chapei district in order to maintain peace and order".

The British and American forces and the volunteers are  
patrolling the sections of the Settlement allotted to them  
by Brigadier General Fleming for the maintenance of peace  
and order.

Shortly before midnight the Japanese occupation of  
Chapei began. Chapei is a district just outside the Inter-  
national Settlement to the north. Many Japanese and a num-  
ber of other foreigners usually live there as well as a  
very large Chinese population.

The system of occupation consisted in dropping strong  
detachments at street operations leading to Chapei and at a  
given signal all advanced into Chapei while other detach-  
ments followed up quickly, laying telephone lines in the  
wake of the advancing marines and bluejackets.

Just previously to the advance a Reuter correspondent  
penetrated into Chapei and found the streets deserted.  
There was not a soldier at the North Station although the  
Japanese were claiming that the presence of four thousand  
troops

MET

3-#145 Peiping via N.R.,  
January 29, 2 p.m.  
PARTS TWO TO SIX, END MESSAGE.

troops in that area constituted a menace which must be removed. The North Station was occupied without resistance but later firing broke out;

The Japanese have landed a further one thousand blue-jackets to assist in patrolling the Hongkew district while their compatriots are carrying out the occupation of Chapei.

After an hour's fighting seven Japanese wounded were brought in.

The Japanese have driven a wedge across North Chapei and are now sweeping towards the Settlement boundaries penning in the Chinese who are at bay and fighting desperately in some sections of the city.

Chapei's night of horror had not ended at dawn.

Half a million Chinese inhabitants crouched sleepless behind roughly barricaded doors while the deadly fire from Japanese rifles and machine guns was sweeping each street and alleyway. It is heard that a number of innocent civilians must be among the many Chinese casualties.

At 4:25 a.m. this morning the Japanese Commander-in-Chief gave an order for aeroplanes to bomb Chapei as to one point

MET

4-#145 Peiping via N.R.,  
January 29, 2 p.m.  
PARTS TWO TO SIX, END MESSAGE

point the Japanese marines were being sorely harrassed by a large nest of Chinese soldiers who offered stiff resistance. Within five minutes of the order being given, a squadron of seaplanes from the aircraft carrier NOTORO which was lying in the Whang Poo rose into the pitch black night and roared across the International Settlement over Chapei whence came the terrific detonations of exploding bombs.

One of the most disappointed men this morning is the Mayor, General Wu Te Chr Tho, by accepting the Japanese demands thought that he had saved Chapei. He was criticised for his decision and in his defense he sadly declared: "Because I am the servant of Greater Shanghai it is my duty to save Shanghai. In order to save Shanghai I have sacrificed my personal feelings and have shown a disregard for personal honour or dishonour, praise or blame". Yet within twelve hours his city is a ghastly battlefield much of it going up in flames".

(END MESSAGE).

RLE/WVO

JOHNSON

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

KLP

TELEGRAM RECEIVED

GRAY

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

Hankow via N. R.

FROM

Dated January 29, 1932.

Rec'd. 6:35 a.m.

RECEIVED  
DIVISION OF

Division of  
FAR EASTERN AFFAIRS  
JAN 29 1932  
Department of State

793.94  
note  
893.102  
693.9412  
Hankow

Secretary of State,  
Washington.

19, January 29, 8 p.m.

Japanese authorities at Hankow are today strengthening the barricades around their concession and are preparing sand bag machine gun emplacements at strategic points in their concession. The boycott of Japanese goods here continues to be effective but there is not the slightest other evidence of anti-Japanese feeling.

Legation and Nanking informed.

ADAMS

R.R.

KLP

F/LS 793.94/3701

FEB 5 1932

FILED

REP

GRAY

TELEGRAM RECEIVED

Shanghai

Dated January 29, 1932

FROM

Rec'd 11:45 a. m.

Secretary of State,

Washington.

PRIORITY.

January 29, 8 p. m.

Paragraph Three of my January 29, 4 p. m.

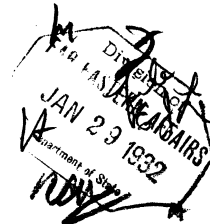
After communicating Japanese Admiral's message to  
the Mayor at 6:30 this afternoon at the Japanese Consul  
General an armistice was arranged to become effective  
at 8 o'clock tonight. We await developments.

Repeated to (\*).

CUNNINGHAM

HPD

(\*) Apparent omission.



F/LS  
793.94/3702

793.94  
note  
893-102 S

FILED  
FEB 4 1932



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

TELEGRAM RECEIVED

RECEIVED  
JAN 29 1932  
DIVISION OF

FROM

GRAY

Geneva

RECEIVED

Dated January 29, 1932

JAN 30 1932

Rec'd 11:35 a. m.

Secretary of State, SECRETARY'S OFFICE

Washington.

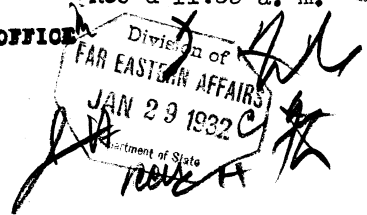
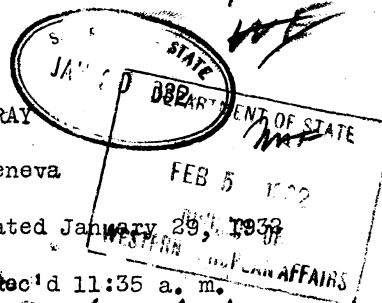
54, January 29, 2 p. m.

I have orally delivered to Cecil the communication conveyed in your 30, January 28, noon.

He wishes me to express to you his deep personal gratitude for your message. He added, as his personal opinion, that the events at Shanghai had produced a situation which called for immediate and strong action and that if such action were not taken still worse troubles would develop.

GILBERT

RPF  
RR



F/LS

793.94/3703

FILED  
FEB 6 1932

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

793.94/3704

CANCELLED

SEE 793.94-COMMISSON

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

TELEGRAM RECEIVED

DEPARTMENT OF STATE

FEB 5 1932  
Dated JAN 28, 1932

FROM

Rec'd 6:58

RECEIVED  
JAN 29 1932  
DIVISION OF

Secretary of State,

Washington

49, January 28, 7 p. m. (SECTION ONE)

The following draft declaration to be made by the President of the Council was adopted in a private meeting of 12 members of the Council other than China and Japan which took place this afternoon. This draft declaration will probably be made at a public meeting of the Council tomorrow afternoon.

"The resolutions of September 30 and December 10 are still valid and so far as present circumstances allow us to judge the Council will not be called upon to adopt any new resolutions on the Manchurian question until it has received at any rate a first report from the Commission of Inquiry.

Meanwhile those of my colleagues on the Council who are not directly concerned in the question have asked me to make a brief statement summarizing certain views arrived at in the course of their discussions.

We have no intention of relaxing the continuous efforts

FILE  
WE

F/LS 793.94/3705

FILED

FEB 6 1932

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793.94-Comm.  
693,001

- 2 - No. 49 from Geneva

efforts which, with the cooperation of the parties and the support of the United States Government, we have pursued during the last four months to bring about a just solution as speedily as the complicated nature of the facts permits. So long as the present situation remains unchanged not only is there an incessant threat to the maintenance of peace in the Far East but also the feeling of uncertainty the suspense which is inevitable engendered in the minds of the citizens of China and Japan as well as in those of foreigners who are settled in the Far East remains unallayed - a situation deplorable in itself and especially deplorable inasmuch as it adds to the difficulties which are hindering the whole world in its efforts to recover from the present economic depression.

We would point out to both countries that entirely irrespective of solemn obligations undertaken in treaties good relations between states can be secured only by cooperation and mutual respect, that no permanent solution can be achieved by force whether military or economic and that the longer the present situation continues the wider the breach between the two peoples will become and the more difficult the solution will be with all the disasters

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Justifson NARS, Date 12-18-75

- 3 - No. 49 from Geneva

disasters that will mean not only to the two nations directly involved but to the world in general.

The League of Nations can only exist and develop in an atmosphere of truth. We owe it to truth to say that to the League's regret and despite its efforts the de facto situation has not improved - on the contrary - but we likewise owe it to truth to point out that an advance has been made in the direction of conciliation inasmuch as the Commission of Inquiry which both powers have freely accepted, has been constituted and is about to enter upon its labors; its departure which has unfortunately been delayed by material difficulties will take place on February 3. The Commission will certainly endeavor to conduct its inquiries as expeditiously as is compatible with the grave responsibilities which fall upon it. In addition to its final report it is authorized to make reports on special points whenever it considers that it can usefully do so. The creation of this Commission thus gives both parties the opportunity to explain their viewpoints and in turn assures the League of a full and impartial statement of the situation. Once again therefore the members of the Council would urge upon the parties the solemn obligation which is theirs not still further  
to

*note  
793,94-Commission*

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

-4- No. 49 from Geneva

to aggravate a situation which is already sufficiently serious.

note  
693,001

The members of the Council have noted the assurance given by the Japanese Minister of Foreign Affairs and quoted by the Japanese representative in the Council at a public meeting that 'Japan harbors no territorial designs in Manchuria and she will uphold the principles of the open door and equal opportunity as well as all existing treaties relating to that territory'. They are also acquainted with the text of the note addressed to both governments by the Government of the United States. I may be allowed to express our appreciation of the reference which the note contains to the confidence of the United States Government that the work of the Commission which has been nominated by the Council will facilitate the solution of the present situation. In that note the United States Government calls the attention of the parties to the treaties which are binding upon them. For our part we must assert that a settlement of the difficulties between two governments members of the League must not be sought in arrangements inconsistent with their international obligations, must avoid those arising out of Article 10 of the Covenant by which

134  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

-5- No. 49 from Geneva

by which they have undertaken to respect the territorial integrity and political independence of all members of the League.

It would be impossible for the League to approve a settlement secured by means incompatible with the obligations cited above." (END SECTION ONE)

GILBERT

FW

OX

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

MET

RECEIVED FROM  
DIVISION OF

DEPARTMENT OF STATE  
GREEN *NAE*  
FEB 5 1932  
Geneva  
DIVISION OF  
DATE *12-18-75*  
WESTERN EUROPEAN AFFAIRS

Rec'd 2:35 p.m.

Secretary of State,

Washington

49, January 28, 7 p.m. (SECTION TWO)

The discussion respecting the wording of the declaration centered almost entirely on the penultimate paragraph. The chief points brought out in the discussions may be regarded as of interest from three angles id est the national positions taken, reference to the position of the United States and as an exposition of League policy. This discussion may be summarized as follows:

Marinkovitch, Yugoslavia, suggested that it might be unwise to include the phrase "the invaluable cooperation of the United States". He thought that this might do as much harm as good with American opinion and might even militate against American eventual membership in the League by giving the impression that the United States could participate whenever necessary without becoming a member. Another point raised by Marinkovitch was that while it was true to say that the League could not endorse a settlement obtained by

F/DEW

793.94/3705

FILED

FEB 6 1932



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

MET

2-#49 from Geneva, January 28,  
7 p.m. (SECTION TWO)

by force in violation of treaties it was at this particular moment both unnecessary and unwise to do so. He pointed out that this thought had been conveyed three times earlier in the declaration, once in connection with the inefficiency of military or economic force, a second time in reference to Yoshizawa's speech, and a third time in connection with Article 10. An individual government like the United States might well take a position such as it had but it was a very different matter for the League to do so with Articles 15 and 16 to be considered. Moreover, the Chinese might hold and the League had committed itself to restore the status quo ante. He could see no reason for the League's tying its hands in advance.

Cecil took strong exception to this argument. He held that paragraph was not a repetition because unlike the previous paragraphs which were of general application it stated a specific League policy to the effect that territorial status may not be changed by violence. He agreed it might be unpleasant for Japan but that on the other hand Japan had not been at all pleasant to the League. He felt that the League by submitting what he termed continual insults by Japan had lost enormously in public opinion and he

MET

3-#49 from Geneva, January 28,  
7 p.m. (SECTION TWO)

he felt that the principles enunciated in the paragraph were vital to world peace not only in this case but in all cases. Marinkovitch agreed with the truth of this statement but thought it inopportune to say it now when on the one hand the Commission was setting out to ascertain the facts, and on the other hand it would be so displeasing to the Japanese.

Cecil replied that the role of the Commission would be more to provide a settlement of the specific situation than to outline the philosophy of the League.

Lester (Ireland) declared that the Commission would certainly not report in a sense contrary to the paragraph.

Boncour asserted that the paragraph was the substance of the whole matter. It had arisen out of the discussions with the Chinese and Japanese when the former had pressed for something along the lines of the American note. He felt that some such declaration was the minimum and that if it were not made the Council would in effect do nothing substantial.

Drummond pointed out that even the American note referred to violence only indirectly through its reference to the Kellogg Pact and that the words "by violence" would certainly deeply

MET

4-#49 from Geneva, January 28,  
7 p. m. (SECTION TWO)

deeply offend the Japanese. Moreover, all the Chinese themselves had asked had been some clause regarding respect for treaties.

Cecil still maintained that two different questions were involved. The most serious point in his mind, and he believed in the minds of millions of other people, was that constant fighting had gone on in Manchuria without the League or any one else doing anything effective to stop it. He thought that it should be made clear that violence of that sort was wrong. The Japanese might regard it as censure but it was the duty of the Council to say what it thought.

Zulueta (Spain) agreed with Cecil that the word "violence" was essential. It was the Council's duty to declare that violence must be replaced by arbitration and conciliation. It would be unfortunate if this offended either party but the spirit of the League lay in those words and the moment had come for saying them.

Zaleski (Poland) agreed, however, with Drummond and offered a compromise phrase replacing "violence" by

"measures

MEU

5-#49 from Geneva, January 28,  
7 p.m. (SECTION TWO)

"measures incompatible".

Cecil answered by saying that he thought that there had already been too much beating about the bush and terror of saying anything disagreeable. Zulueta asserted that the phrase was far short of what the United States had done.

Boncour, however, emphasized that what was important was the actual result of a conflict rather than the means which might have been employed in its prosecution. The intent of the phrase in question should be to affirm the general principles of Article 10 and of the American note. The question as to whether violence had been employed was less important. After some further discussion of phraseology Cecil agreed to withdraw his advocacy of the original phrase in favor of the phrase "means incompatible with the obligations cited above".

I may add that Marinkovitch was the only member of the Council who offered any opposition to support of the American note.

WSB.

GILBERT

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

793.94/3706

CANCELLED

SEE 793.94-COMMISSION/42

FEE

# TELEGRAM RECEIVED

MET

FROM Shanghai

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

Dated January 28, 1932

Rec'd 4:27 a.m.

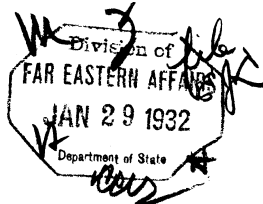
Secretary of State,

Washington

January 28, 2 p.m.

CONFIDENTIAL.

RECEIVED  
DIVISION OF



F/LS 793.94/3707

I learn on reliable authority that the Japanese military authorities intend to take action tomorrow morning January 29th. This is confirmed by Secretary General of Council who was asked by Japanese (?) whether in event of prolonged Japanese occupation of Chinese territory contiguous to Settlement, Settlement police would undertake policing thereof. Japanese Admiral has waived his rights as senior officer in connection with Settlement deference and Brigadier Franklin, British commander, is senior officer. Later. Donald has just informed me that the Mayor's reply will be delivered to Japanese today will be an unqualified acceptance of Japanese demands.

FILED  
JAN 4 1932

Repeated to the Legation.

CUNNINGHAM

WSB

TELEGRAM RECEIVED

MET

PLAIN

FROM

Peiping via N.R.

RECEIVED

Dated January 29, 1932

DIVISION OF

Rec'd 1:25 p.m.

Secretary of State,

Washington

151, January 29, 7 p.m. (PART ONE)

Following from Reuter, Shanghai, January 29th:

"The Japanese occupied the Chinese military headquarters in Chapei at 6:15 a.m. but they lost the railway station when the Japanese troops there were diverted to assist another hard pressed detachment.

Japanese Marines have landed at Pootung to protect the Japanese mills.

It is learned that there is no truth in the report that Japanese warships have bombarded the Woosung forts last night.

Heavy rifle fire and machine gun fire continues in Chapei where the Japanese are apparently held up by the desperate resistance of General Chen Ming Shu's Seventy-Eighth Division. (END PART ONE)

RR-WSB

JOHNSON

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

F/LS

793.94/3708

FILED

FEB 1 1932

793.94  
note  
893.1028

893.0126

135  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

## TELEGRAM RECEIVED

MET

PLAIN

FROM

Peiping via N.R.

RECEIVED  
JAN 29 1932  
DIVISION OF

Dated January 29, 1932

Rec'd 1:30 p.m.

Secretary of State,

Washington

151, January 29, 7 p.m. (PART TWO)

It is learned that six Japanese seaplanes were employed early this morning to bomb Markham Road junction apparently with the object of preventing Chinese troops from Western Shanghai and Lunghua reinforcing the Chinese forces holding Chapei.

Noon. Firing in Chapei district has died down. Both Chinese and Japanese are feverishly strengthening their positions and constructing sandbag barricades.

The Japanese appear to realize that their forces are too small for the job and there is a likelihood of a lull pending of arrival of reinforcements from Japan.

The United States Consul General, Mr. Cunningham, who is the doyen of the Consular Body here animadverts on a Japanese breach of faith inasmuch as the Japanese authorities, he says, declared yesterday morning that the Japanese forces would not move on Thursday or Friday. (END PART TWO)

WSB.

JOHNSON



TELEGRAM RECEIVED

RÉP

RECEIVED  
JAN 23 1932  
DIVISION OF

FROM

PLAIN

Peiping via N. R.

Dated January 29, 1932

Rec'd 2:20 p. m.

Secretary of State,  
Washington.

151, January 29, 7 p. m. (PART THREE).

So far fighting has been restricted to the Chapei  
area, Western Shanghai, the Kiangnan arsenal, and the  
Chinese city areas are very quiet.

Twelve thirty p. m. Chinese troops have broken  
into western residential districts of the International  
Settlement and the volunteers have been called into  
action to supplement the regular foreign troops to  
protect the border of the Settlement.

The Japanese are at present preparing to launch an  
attack on the Shanghai North Station.

A further dozen Japanese destroyers are reported to  
have passed Gutzlaff in the Yangtze estuary this morning."

(END MESSAGE).

JOHNSON

KLP

HPD

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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U.N.I. AND M.I.D.

cib

FROM

GRAY

Shanghai

Dated January 30, 1932

Recd 6:49 a.m.

Secretary of State

Washington.

DOUBLE PRIORITY

January 30, 8 p.m.

Referring to my telegram of January 27, I have now decided that the exigencies justify my requesting that the landing forces from American vessels be increased at the earliest moment possible.

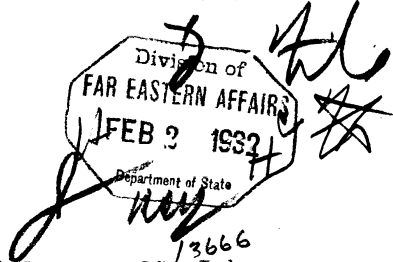
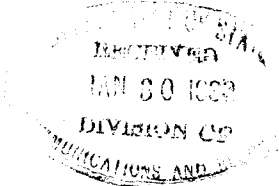
Repeated to the Legation.

CUNNINGHAM

JS

CIB

793.94  
893.102  
893.0146  
811.30A.X



F/LS 793.94/3709

FILED FEB 5 1932

TELEGRAM RECEIVED

nam

Gray

Shanghai

FROM

Dated Jan 29, 1932

Recd 8.21 pm.

Secretary of State,

Washington.

PRIORITY.

January 29, 7 pm.

My telegram January 28, 6 pm.

In the light of later developments I wish to amplify  
that as follows:

At the commencement Consular Body meeting January 28th  
Japanese Consul General stated substantially as follows:

"I am sorry you have all been so concerned with the  
recent crisis but I am happy to say that I received at  
3 o'clock this afternoon a satisfactory report from the  
Mayor. If what he said in that letter can be carried out  
the crisis will be over and a clash will be avoided. This  
morning I prepared a statement on the situation which I  
will now read."

Following is text of statement:

One. The fact that within the past five months per  
nicious anti-Japanese excesses and outrages have been  
committed

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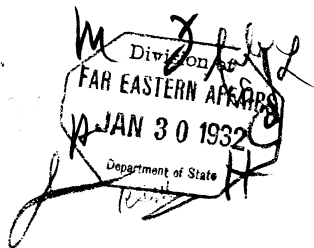
F/LS

793.94/3710

FILED

FEB 8 1932

793.94  
note  
893.102  
393.94



mam

2- from Shanghai, January 29, 1932

committed by a large number of Chinese people, especially in this part of the country, is a matter of common knowledge. Under the guise of patriotic movement they have conducted assiduous campaign of unlawful boycott and confiscation of the goods of Japanese origin which were legally manufactured here or imported from Japan under treaty provisions and in reliance on China's integrity. They have lynched the innocent dealers in Japanese goods with detention, imprisonment, and all conceivable methods of punishment, in utter defiance even of the minimum requirements of friendly intercourse and trade. The terrorism among the masses is now even intimidating the judiciary to pursue a questionable course.

Two. Nor do I need to dwell upon the wholly insecurity of Japanese life and property in this vicinity. Unpleasant and unfortunate incidents are too many to enumerate. And no few Japanese have already been involuntarily compelled to offer supreme sacrifices at the altar of lawlessness.

Three. I have repeatedly and urgently requested of the Chinese authorities concerned to control these illegal and criminal activities of their own people. While ostensibly admitting the lawlessness of these acts, not once have

mam

3- from Shanghai, January 29, 1932

have they seriously and sincerely endeavored to curb them. The evidence, if any, tends to prove that the contrary is the case.

393.94  
Four. As a consequence within the last few days there was a case of the MING KUO JIH PAO <sup>a</sup>where most disrespectful and abusive article referred to His Imperial Majesty of Japan which decidedly aggravated the feeling of the Japanese people. On the heels of it there took place on January 18th a murderous outrage upon the defenseless Japanese monks. Even since my last note to the mayor, there was an incendiary fire on January 24th, at the local residence of the Japanese Minister and just this morning a bomb was thrown at the Japanese <sup>consulate</sup> General where also the Shanghai office of the Japanese Minister are situated. In both cases it has been ascertained beyond reasonable doubt that they were perpetrated by the so called "death defying corps". I need not explain just how the Japanese residents are agitated and concerned with the sense of extreme insecurity. Their patience has been tested to the limit.

In order to forestall any further repetition of those unfortunate cases, right after the incident in which five Japanese

mam

4- from Shanghai, January 29, 1932

Japanese monks were fatally assaulted, I addressed a note on January 20th to the Mayor of the Municipality of Greater Shanghai containing the following four points:

One. The Mayor's apology to the Japanese Consul General.

Two. The arrest and punishment without delay of the culprits.

Three. The indemnification for the medical care and solatiums to the five Japanese concerned.

Four. The immediate suppression of anti-Japanese and Japan-insulting manifestations and activities, especially the dissolution of all anti-Japanese national salvation committees and other kindred anti-Japanese organizations.

As you can well surmise, we attach the greatest importance to the fourth point, for there lies the root of all local anti-Japanese troubles. I have afforded the Mayor ample time for his thorough deliberations. I am expecting the Mayor's reply at almost any moment. But should no satisfactory one be received by six o'clock this evening I am constrained to say and most reluctantly that we may be obliged

mam

5- from Shanghai, January 29, 1932

obliged to take such measures of self protection as will  
ensure the safety of Japanese life and property. Needless  
to say that whatever action we may take we propose to  
respect the integrity of the International Settlement and  
to take all possible measures to safeguard the life and  
property of the inhabitants thereof.

Repeated to the Legation.

FW

CUNNINGHAM

OX

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

*FE*

TELEGRAM RECEIVED

RECEIVED  
JAN 30 1932

MET  
This telegram must be  
closely paraphrased be-  
fore being communicated  
to anyone.

FROM Shanghai  
Dated January 30, 1932  
Rec'd 1 a.m.

Secretary of State,

Washington

January 30, 10 a.m.

Following to the Legation:

Confidential. Your January 29, 3 p.m., last paragraph.

Suggestion made by Japanese staff officer to Secretary Gen-  
eral of Council reported in my telegram of January 28, 2 pm.  
is not (repeat not) favorably considered by Council. I  
shall, however, carry out Legation's instructions.

CUNNINGHAM

JS

*793.94  
note  
893.102 S.*

Division of  
FAR EASTERN AFFAIRS  
JAN 30 1932  
Department of State  
*raw*

F/LS 793.94/3711

FILED  
FEB 5 1932



136

TELEGRAM RECEIVED

REP

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

GRAY

Peiping via N. R.

Dated January 29, 1932

Rec'd 2:35 p. m.

RECEIVED FROM  
DIVISION OF

Secretary of State,  
Washington.

147, January 29, 4 p. m.

Legation's 138, January 28, 5 p. m.

Hanson reports that on his arrival 27th:

"Desultory fighting with a few casualties lasted  
for several hours and ceased when new troops withdrew.

American, British and Japanese Consuls General  
and French Consul met at 1 p. m. to discuss what steps  
might be taken to withdraw our respective nationals  
to places of safety. Ohashi stated that he had  
advised several Japanese families to withdraw from  
Fuchiatien, which he visited last evening, to Harbin.  
Subsequently at 5 p. m. he informed me that one (#)  
and seven Koreans had been murdered, apparently by  
Chang Tso (Chou's) soldiers, in their attempts to thus  
withdraw. I have requested several Americans living  
near old Harbin to withdraw into new town,

(END PART ONE.)

RR - WSB

(#) Apparent omission.

JOHNSON

Division of  
FAR EASTERN AFFAIRS  
JAN 30 1932  
Department of State

F/LS

793.94/3712

FILED

FEB 4 1932

793.94  
note  
893.01-Harbin  
393.11  
861.77-Chinese Eastern

36  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MAM

TELEGRAM RECEIVED

GRAY

PEIPING via N. R.

Dated January 29, 1932

FROM

Rec'd 3:50 p.m.

Secretary of State

Washington

DEPARTMENT OF STATE

COMMUNICATIONS AND

147, January 29, 4 p.m. (PART TWO)

393.11  
Harbin, and am prepared to tell other Americans in case of mob danger to take refuge in National City Bank Building in the business section, Consulate General in new town".

Two. That on January 28th "Japanese aeroplane circled Harbin dropping notices from General Hasebe stating that because several Japanese were killed yesterday he was bringing Japanese troops to Harbin to safeguard the life and property of not only Japanese but also of foreigners and peaceful Chinese".

89377-Chinese Eastern  
Three. Also on January 28 that "from various reliable sources it has been learned that Japanese troops have commandeered Chinese Eastern Railway, the line at Kuanchengtse, and are using it operated by Japanese trainmen to convey Japanese troops northward. Chinese Eastern Railway not operating the movements the military trains on southern or eastern branches. Soviet Consul General informed  
Azurciestrom

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

mam

2- #147, from Peiping, January 29,  
1932

Azureiestrom that General Manager Rudi and Vice President  
Kusnetsoff of the railway would call the attention of  
authorities to the fact that the railway is neutral and  
should not be permitted to transport troops".

(END MESSAGE)

JOHNSON

FW

OX

*FE*

TELEGRAM RECEIVED

REP

This telegram must  
be closely paraphrased **FROM**  
before being communicated  
to anyone.

LONDON

Dated January 29, 1932

Rec'd 3 p. m.

Secretary of State,  
Washington.

RUSH.

30, January 29, 6 p. m.

*M*  
Division of  
FAR EASTERN AFFAIRS  
JAN 30 1932  
*new H*

F/LS 793.94/3713

STRICTLY CONFIDENTIAL. Vansittart sent for me this  
afternoon and explained that since your conversation  
with Lindsay early in the week British Government had  
been attempting to compose its reply, having in mind the  
precedent established in 1927 when British troops

— were introduced into the International Settlement only,  
however, after consultation with the interested powers.

*yesterday afternoon*

British difficulty was solved in that the Japanese Charge  
d' Affaires called upon the Foreign Secretary and explained  
that in the opinion of the Japanese Government drastic  
measures might be necessary in Shanghai in an effort to  
suppress centers of anti-Japanese propaganda. The Foreign  
Secretary immediately asked what was meant by "drastic"  
action and the Japanese Charge d' Affaires stated that  
introduction of Japanese troops into the International  
Settlement was envisaged. Vansittart said this immediately  
put the British in position to make the representations to  
the Japanese

*FEB 5 1932*

FILED

*793.94  
notes  
893.102  
841.93*

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)<sup>2</sup>  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

2- #30, from London, Jan.29,6p.m.

the Japanese Government along the lines set forth in my 29, January 29, 1 p. m., pointing out the 1927 precedent.

Vansittart stated Lindley was instructed to approach the Japanese Government immediately, acting in so far as possible with his American colleague. In the meantime British Government had advised Rome and Paris, as well as Washington, of this instruction telegraphed the British Ambassador in Tokio last evening in the hope that these countries might instruct their diplomatic representatives in the same sense.

I was informed that this morning a further eight inch gun cruiser had been ordered from Hong Kong to Shanghai.

Vansittart then stated a further instruction to that of last night had been telegraphed to Ambassador Lindley in Tokio this morning and repeated to the British Ambassador in Washington, who was instructed to inform you of the substance of this instruction to Lindley but no other government has been apprised of it. In short, only latest Foreign Office cable to Tokio instructs Ambassador Lindley to protest to the Japanese Government against the use of force in the Chinese suburb of Chapei where there  
are

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

3- #30, from London, Jan. 29, 6 p.m.

are also many foreign interests, and states, inter alia,  
Chinese  
that the presence of disorganized/troops there cannot be  
considered as sufficient reason for the measures taken. //

ATHERTON

WSB

HPD

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED COPIES SENT TO  
U.N.I. AND M.I.D.

MAM

FROM

GRAY

PEIPING

Dated January 29, 1932

Rec'd 4:30 p.m.

Secretary of State

Washington

151, January 29, 8 p.m.

Legation's 147. January 29, 4 p.m.

In his January 28. 7 p.m., Hanson reports that acting  
under his instructions Chamberlain saw Chang Ching Hui  
who stated that he had arranged for forces of Yu to with-  
draw with the understanding that Li and Ting would depart;  
he added that he could maintain order in the city of Harbin  
but made no mention of Fuchiatien. Night of 28th passed  
quietly. Japanese troops had not arrived this morning.

OX

JOHNSON

F/LS

793.94/3714

FILED

FEB 4 1932

793.94  
note  
893.102 Harbin

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JAN 30 1932  
INVASION OF  
MANCHURIA AND

Division of  
FAR EASTERN AFFAIRS  
JAN 30 1932  
Department of State

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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PLAIN

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

FROM

Peiping via N.R.

Dated January 30, 1932

Rec'd 4:50 a.m.

Secretary of State,

Washington

152, January 30, 9 a.m.

Following from Reuter, Shanghai, January 29, 3 p.m.

"The Japanese aeroplane bombardment has intensified throughout the middle of the day concentrating on the Chinese position at the railway station and in Chapei which the Chinese are now holding desperately and fiercely.

One entire wing of the railway station has been demolished and an attack on an armored train assisting in the defense was so fierce that the train was compelled to pull out followed by the bombing plane attempting to wreck it. Both disappeared up the line and the route of the train is unknown.

According to Chinese reports the hospitals in the Chinese city are packed with cases. It is stated that at least two thousand Chinese have been wounded as the result of the fighting and bombing. The number of dead is not known".  
JS

JOHNSON

F/LS 793.94/3715

FILED

FEB 28 1932

793.94  
note

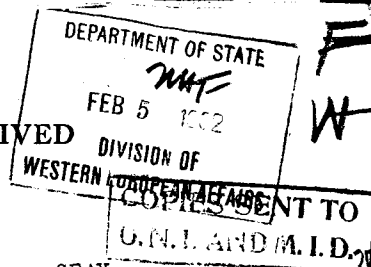
893.102 S

893.97



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED



FE  
WE

FROM

MET

GRAY

Batavia

Dated January 30, 1932

Rec'd 12:55 a.m.

Secretary of State,

Washington

January 30, 9 a.m.

British cruiser KENT, Admiral Kelly Commanding Officer,

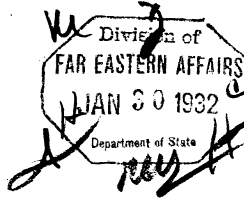
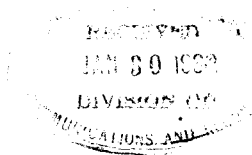
left Batavia on rush orders January 30, 6 a.m. for Shanghai.

Normal plan called for departure February 2nd presumably  
for Manila.

PATTON

JS

Dr.  
793.94  
note  
841.33

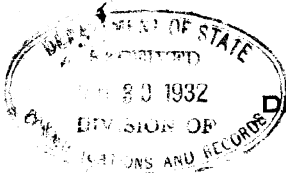


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793.94/3716

FILED  
FEB 6 1932

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75



DEPARTMENT OF STATE

RECEIVED

DIVISION OF FAR EASTERN AFFAIRS

JAN 29 1932

SECRETARY'S OFFICE

January 29, 1932.  
12:30.

*JCA*  
*file*

Mr. Secretary:

The British Embassy telephoned that the British Government had sent the cruiser KENT (10,000 tons) to Shanghai.



F/DEW

FW 793.94/3716

JAN 30 1932

FILED

*RH*  
FE: RSM: EJJ

TELEGRAM RECEIVED

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

MET

FROM

GRAY

Peiping via N.R.

Dated January 30, 1932

Rec'd 6 a.m.

Secretary of State,

Washington

153, January 30, 10 a.m.

Following from American Consul General at Mukden:

"January 29, 2 p.m.

Headquarters this morning reported that the anti-Shichia forces at Harbin are strongly anti-Japanese and last night destroyed the railway bridge across the Sungari near Laoshackow on the Harbin-Changchun Railway.

According to reliable information Japanese seized Chinese Eastern rolling stock at a point three miles north of Changchun at 4:20 p.m. yesterday, after which Japanese forces proceeded north. The advance was stopped at damaged bridge which is being repaired.

Reports from Changchun and Harbin are to the effect that all along this line acts of sabotage are being committed for the purpose of Japanese advance.

JOHNSON

RR-HPD

F/DS 793.94/3717

FILED  
FEB 3 1932

137  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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

MET

FROM

GRAY

Peiping via N.R.

Dated January 30, 1932

Rec'd 5 a.m.

793.94  
note  
693.9412  
Secretary of State,

Washington

155, January 30, 12 noon.

Following from American Consul at Chefoo: "January 29,

6 p.m.

Japanese Consul here has just informed me he is requesting of the local authorities tomorrow morning that the anti-Japanese boycott organization be dissolved and anti-Japanese activities here cease. City quiet but public feeling running high on account of news of the Shanghai trouble. Two Japanese war ships arrived here yesterday afternoon; their stay at Chefoo is indefinite. Semi-martial law in effect after sunset".

JOHNSON

HPD-KLP

F/LS

793.94/3718

FEB 5 1932

FILED

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Stutzman NARS, Date 12-18-75

TELEGRAM SENT

1-128  
PREPARING OFFICE  
WILL INDICATE WHETHER

1-128

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Collect  
Charge Department

Department of State

Charge to  
\$ This cable was sent in confidential code.  
It should be carefully paraphrased before  
being communicated to anyone.

Washington,

January 27, 1932.

AMEMBASSY

JAN 27 1932

TOKYO (Japan).

CONFIDENTIAL.

One. Official reports from China indicate that at Shanghai during the week preceding January 20 there were several clashes between Chinese and Japanese. In one such, a Chinese policeman was killed, several Chinese wounded, a Japanese killed and two Japanese wounded. On the afternoon of January 20, a mass meeting was attended by several thousand Japanese who later marched through the streets of the Settlement, smashed windows of Chinese shops and assaulted several Chinese. At that time, the Chinese and Japanese members of the International Settlement police force were functioning harmoniously. Another Japanese mass meeting was scheduled for January 23. On January 22, the Japanese Admiral issued a statement to the effect that in case the mayor of the Chinese municipality failed to comply with demands which the Japanese Consul General has presented in connection with various anti-Japanese cases, the Admiral QUOTE would take appropriate steps to protect the rights and interests of Japan UNQUOTE.

Enciphered by .....

Sent by operator ..... M., ..... 19.....

Index Bu.—No. 60.

U. S. GOVERNMENT PRINTING OFFICE: 1929 1-128

793.94/3719A

793.94/A  
893.0146  
006.6046  
006.6046

1375  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
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or  
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## TELEGRAM SENT

### Department of State

1-138  
TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

- 2 -

Washington,

On January 23, the Chairman and the Secretary General of the Municipal Council and the Japanese Consul General called upon the Japanese Admiral, and after considerable discussion the Admiral agreed that he would take no action in the Settlement without first consulting with the Settlement authorities.

Subsequently, it is reported that the Japanese Consul General has promised that the reply which the Chinese mayor makes to the Japanese demands will be given to the Council in advance of any Japanese action by twenty-four hours.

This account may or may not be accurate and adequate in every detail. It sufficiently indicates, however, that the action of Japanese nationals, both private citizens and responsible officials, is contributing to the inflammation of an already serious situation at Shanghai, and that Japanese naval and consular officers on the spot are seriously contemplating the use in prosecution of objectives of policy of force near to or in the International Settlement.

The port of Shanghai is the most important port in China. The International Settlement is an area in which there are located some forty thousand foreigners, of many nationalities, including Americans, as well as Japanese,

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_.

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U. S. GOVERNMENT PRINTING OFFICE: 1955 1-138

1376  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
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Department of State

1-138  
TO BE TRANSMITTED  
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NONCONFIDENTIAL CODE  
PLAIN

- 3 -

Washington,

more than a million Chinese, a great aggregation of, physical property, and a concentration of commercial and other interests. A disturbance of the peace at that port must be a matter of serious concern to the whole world. Interference, direct or indirect, with the commerce of that port would adversely affect, not alone the trade of China but the trade of all the principal commercial countries.

The American Government cannot view with unconcern a situation wherein it appears that authority has been given by one foreign government to the commander of its naval forces at that port to use force at his own discretion in support of demands made by the local civil representatives of that government in prosecution of objectives peculiar to that government and without the approval, the request, or the assent of the local representatives of other governments which have nationals and interests located there and which, on the basis of treaties and agreements, have a community of rights and of interest in regard to conditions of residence and trade at that port and are warranted in feeling special solicitude with regard to any developments which may threaten adversely to

Enciphered by .....

Sent by operator ..... M., ..... 19.....

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1929 1-138

1377

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-128  
PREPARING OFFICE  
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1-138  
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NONCONFIDENTIAL CODE  
PLAIN

Department of State

- 4 -

Washington,

affect the situation there. This is, especially, true, with regard to, the International Settlement; but, concern, with regard to, rights and, interests, in relation to, that, Settlement, necessarily, carries with it, concern, with regard to, any, developments, which may, affect the life, of the, port of, which, that, Settlement area, is a, part.

Q.E.  
No power, has the, right, under, international, practice, to land, its, forces, on, foreign, soil, for the protection of, its, nationals, unless the, local authorities, have failed, or, are, obviously, not, repeat, not, prepared to, discharge, their, duties of, protection. In the, International Settlement, at Shanghai, the responsibility for, administration, lies in, first, instance, with the, Municipal Council. The Settlement, has a, thoroughly, organized, and, disciplined, police, force, under a, responsible, control, and, composed of, reliable, personnel. If in, any eventuality, the, Council, should, reach, the conclusion, that its, agencies, are not, repeat, not, in position, adequately, to meet, their, responsibilities, it should, so, notify, the, Consular Body, through the, Senior Consul, and the, Consular Body, should then, make, such, call, as may be, deemed, necessary, upon all, of the foreign armed forces available and not upon any

Enciphered by \_\_\_\_\_  
Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_

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U. S. GOVERNMENT PRINTING OFFICE: 1955 1-138



TELEGRAM SENT

1-128  
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Department of State

1-138  
TO BE TRANSMITTED  
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NONCONFIDENTIAL CODE  
PLAIN

- 5 -

Washington,

single one

Two. I request that you call at once on the Minister for Foreign Affairs and discuss this matter with him. You should give him in substance the narrative of events and ~~with close adherence to the text~~ the outline of views given above. You should then state that the American Government trusts that it may assume that it is not repeat not within the contemplation of the Japanese Government to take action at Shanghai in contravention of the rights or interests of other powers, including China, or which would tend to jeopardize the lives and the interests of nationals of the many countries concerned, including the United States and Japan and China. You ~~should say that the American Government trusts that the Japanese Government will state that it has no such intention.~~ In conclusion, you should say that the American Government, viewing the whole situation with solicitude for the rights and best interests of all concerned, in all friendliness urges upon the Japanese Government exercise of the maximum of self-restraint. Thus. All of this should be oral. You should leave no memorandum.

Enciphered by FE:SKH/ZMF

Sent by operator M.

Index Bu.—No. 50.

Jan. 2 1932.

U. S. GOVERNMENT PRINTING OFFICE: 1930 1-128

*Sent to  
British Ambassador  
1-30-32.  
STC*

Telegram from the Secretary of State to the American

Ambassador at Tokyo, January 27, 1932. /3719a  
(~~SECRET~~)

During the week preceding January 20 there were, according to official reports, several clashes between Japanese and Chinese at Shanghai, in one of which, a Japanese was killed, two Japanese were wounded, a Chinese policeman was killed and several Chinese were injured. Several thousand Japanese held a mass meeting on the afternoon of January 20 and subsequently paraded through the streets of the International Settlement, assaulting several Chinese citizens and smashing the windows of Chinese shops. On that occasion, the Japanese and Chinese elements of the International Settlement police worked harmoniously together. January 23 was selected as the date for another Japanese mass meeting, and on January 22, the Japanese Admiral published a statement to the effect that, unless the mayor of the Chinese municipality complied with the demands presented by the Japanese Consul General with reference to several anti-Japanese incidents, the Japanese Admiral would take "appropriate steps to protect the rights and interests of Japan." Accordingly, on January 23, the Japanese Consul General, the Chairman and the Secretary General of the Municipal Council called on the Japanese Admiral, who, after protracted discussions, agreed to take no action in the International settlement without prior consultation with the authorities of the Settlement. It is reported that, subsequent to this conversation, the Japanese Consul General has promised that the reply which the Chinese Mayor makes to the Japanese demands will be communicated to the Council twenty-four hours in advance of any Japanese action.

While this account may not be altogether complete or precise in all details, it is a sufficient indication that

the

793.94/3719A

- 2 -

the action of Japanese subjects, both officials and private citizens, is contributing to the aggravation of what is already a serious situation at Shanghai, and that the consular and naval officers of the Japanese Government on the spot are seriously considering the use of force near to or in the International Settlement, as an instrument of Japanese policy.

Shanghai is China's most important port. In the International Settlement there are about 40,000 foreigners, of many nationalities, American as well as Japanese, over a million Chinese, a great mass of physical property, and a focus for commercial and other legitimate interests. A disturbance to the peace at the port of Shanghai is a serious concern to every nation. Direct or indirect interference with the commerce of the port of Shanghai would injure the trade of all the chief commercial countries, as well as the trade of China.

The Government of the United States cannot regard with indifference a situation in which apparently a foreign government has authorized the commander of its naval forces at Shanghai to use force, according to his own judgment, to support demands made by the local Consular representatives of that government to obtain objectives which are peculiar to that government, without the agreement, request or approval of the local representatives of other governments which have interests and nationals at Shanghai and which, on the basis of treaties and other agreements, have common rights and interests with respect to conditions of trade and residence at Shanghai and are warranted in feeling solicitude with respect to any developments menacing the local situation at Shanghai. This is not only true with respect to the International Settlement, inasmuch as concern with relation to the interests and rights affected

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Quitsman NARS, Date 12-18-75

- 3 -

affected by the Settlement of necessity involves concern with relation to any action which may affect the life of the port of which the International Settlement is a part.

Unless the local authorities have failed or are manifestly unable to discharge the duties of protection, no nation has the right, under international procedure, to land armed forces on foreign soil for the protection of its nationals. The Municipal Council, in the first instance, is responsible for the administration of the International Settlement at Shanghai and disposes of a well disciplined, organized police force, with reliable personnel and under responsible control. Should the Council decide that its agencies are inadequate to meet their responsibilities, it should so advise the Consular Body through the Senior Consul and the Consular Body should then issue such call as appears necessary, not upon any single one, but upon all of the foreign forces available.

Please call at once upon the Minister for Foreign Affairs and discuss this subject orally, leaving no memorandum, giving him in substance the narrative of events and the outline of views, as expressed above, adhering closely to the text of this telegram. You should then inform the Minister for Foreign Affairs that this Government hopes that it may assume that the Japanese Government does not contemplate action at Shanghai in controvention of the interests and rights of other nations, China included, and that the Japanese Government does not contemplate any action which would jeopardize the property and lives of the nationals of the many countries concerned, including China, Japan and the United States. You should say, finally, that this Government, which desires to preserve the rights and interests of all concerned, urges that the Japanese Government restrain itself as much as possible.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 393.115 Radio Corp. of FOR Tel#26 5 p.m.  
America/5 1/2

~~FROM~~ Japan (                      ) DATED Jan 27. 1932.  
TO NAME 1-1127 \*\*\*

REGARDING: Chenju Radio Station. Inform Minister for Foreign Affairs  
that we are interested in protecting - as American inter-  
ests are involved.

793.94/3719B

793.94

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

## TELEGRAM SENT

## DEPARTMENT OF STATE

January 27, 1932.

5 p.m.

AMEMBASSY,

TOKYO (JAPAN).

26, January 27, 5 p.m.

One. The American Consul General at Shanghai and the Department have received information indicating that the Japanese armed forces may have in contemplation activities in territory near the International Settlement at Shanghai including areas in which radio transmitting and receiving stations are located; and that obviously such activities may endanger these stations and jeopardize communications service. The Radio Corporation of America has a substantial interest in the radio transmitting station at Chenju, seven miles from Shanghai; the Shanghai circuit of the Radio Corporation is carrying a substantial portion of communications traffic with China; and the revenue received by the Radio Corporation from this circuit is substantial in amount.

Two. Please bring urgently and orally to the attention of the Minister for Foreign Affairs the above facts, stating that the American Government is seriously concerned over the possibility of injury to substantial American interests and would greatly regret any interference with channels of communication to and from Shanghai. You may

1334  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

-2-

26 to Japan, January 27, 1932.

may add that the American Government sincerely hopes that the reported intent of the Japanese military has no basis in fact.

Three. The Department is also instructing the Consul General at Shanghai to take this matter up immediately with the Japanese Consul General there.

STIMSON

(WRC)

FE:MMH/rek

FE:RSM

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gutzfelm NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

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## TELEGRAM SENT

1-138

TO BE TRANSMITTED

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NONCONFIDENTIAL CODE

PLAIN

## Department of State

Washington,

This cable was sent in code January 28, 1932.  
It should be carefully paraphrased before  
being communicated to anyone.

AMERICAN LEGATION

PEIPING (CHINA).

CONFIDENTIAL FOR THE MINISTER.

*Shanghai Situation*  
~~Your 129, January 28, 6 p.m., last paragraph~~

One. The Department yesterday instructed our Ambassador at Tokyo to call upon the Minister for Foreign Affairs and discuss with him the situation at Shanghai, the special status of the International Settlement and the importance of the port of Shanghai in international <sup>relations</sup> ~~trade~~. He was requested to state orally, leaving no memorandum, QUOTE that the American Government trusts that it may assume that it is not repeat not within the contemplation of the Japanese Government to take action at Shanghai in contravention of the rights or interests of other powers, including China, or which would tend to jeopardize the lives and the interests of nationals of the many countries concerned, including the United States and Japan and China UNQUOTE and, in conclusion, to say QUOTE that the American Government, viewing the whole situation with solicitude for the rights and best interests of

Enciphered by \_\_\_\_\_

all

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_.

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1926 1-138

793.94/3,190

793.94/A  
note  
393.115  
Adm. Conf.  
of Government



138F  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
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OR  
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Department of State

Washington,

- 2 -

all concerned, in all friendliness urges upon the  
Japanese Government exercise of the maximum of self-  
restraint. UNQUOTE

Two. ~~You may~~ <sup>or text</sup> Repeat the substance of this  
telegram to the Consul General at Shanghai for his  
strictly confidential information. SECRET

*Stinson*

*SKH*

OR  
JAN 2 1932  
11

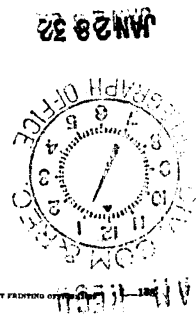
FE: RSM: EJJ  
FE

*SKH*

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_

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1387

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE  
DIVISION OF FAR EASTERN AFFAIRS

FEB 15 1932

MR. KLOTS

February 5, 1932.

THE UNDER SECRETARY

FEB 15 1932

DEPARTMENT OF STATE

SHANGHAI SITUATION: MANCHURIA SITUATION  
FAR EASTERN PROBLEM.

Present and Future Possibilities in  
reference to Japanese-American Relations.

Division of

FAR EASTERN AFFAIRS

MAR 20 1933

Department of State

793.94  
711.94

The memorandum attached is a voluntary contribution by Dr. Wallace of EA. It contains an estimate of the general situation on the basis of events since September 18, 1931. It points out the dilemma in which Japan has placed herself and makes the significant statement:

711.94/965

"If the Japanese Military Party 'gets away with' the theft of Manchuria without military loss, and especially if they succeed in forcing China into a 'peace' which will hamper Chinese boycotts and shackle China's efforts to build up defensive strength, all hope of defeating the prestige of the Military Party in Japan will have passed for a generation and nothing can be looked for except military pressure renewed against China whenever disputes arise between the two powers."

It concludes with the suggestion that this Government have in mind the possibility of laying the facts of the whole case before the American public with a view to obtaining popular support for measures of economic pressure.

FE:SKH/ZMF

SKH

F/H/S

793.94/3719-1/2

MAR 20 1934

FILED

DEPARTMENT OF STATE  
OFFICE OF THE ECONOMIC ADVISER

MEMORANDUM

February 5, 1932.

JAPAN'S REFUSAL OF NEUTRAL PARTICIPATION

Japan gave the world repeated assurances that her action in the three Eastern Provinces was only to safeguard her treaty rights, and on that basis the League abstained from action under Article XV.

Since then we have had successive events such as:

- (1) The systematic and complete elimination of the Chinese Government from the three Eastern Provinces.
- (2) The seizure of all public utilities (and apparently of enterprises which are not public utilities).
- (3) Extension of the action outside of the sphere of the South Manchuria Railway even to Chinchow and Shanhaikwan - 250 miles from Mukden.
- (4) Action or threats of action in Jehol.
- (5) A policy of systematic terrorization and frightfulness now extended to China proper. (Tientsin, Tsingtao, Shanghai.)

And particularly:

- (6) Japanese propaganda (official (?), semi-official,  
and

F.W. 793.94/3719-1/2

- 2 -

and unofficial) that the three Eastern Provinces have been and are essentially independent of China.

(7) Official intimation that conditions have changed since Japan guaranteed the integrity of China in the Nine-Power Treaty.

(8) A report from Hugh Byas<sup>(2)</sup> that Japan wants a Government in the three Eastern Provinces which she can "advise".

The course of events proves conclusively that Japan plans a "settlement" such as could be obtained only by armed force, i.e., to "negotiate" with China concerning the three Eastern Provinces when these Provinces are completely in the hands of Japanese military forces, when the Chinese Government has been completely ousted therefrom, and when it has been as far as possible cowed and discouraged by the Japanese destruction of Shanghai.

It seems<sup>3</sup> established that Japan's action has been aggressive, a pursuit of national policy by means of war; that Japan's policy does not even stop at being judge of her own cause, i.e., in dictating her views in regard to disputed points in interpretation and execution of treaties, but at establishing new "rights" in the three Eastern Provinces. There is evidence that Japan wants

entire

- 3 -

entire domination of the whole area (and of Jehol) stopping short only (for the present) of direct annexation and of direct administration by Japanese nationals - if it can be admitted that the administration of Japanese "advisers" through puppet Chinese is "indirect".

We are unavoidably driven to the conclusion that Japan is seeking, not merely to solve old problems in the three Eastern Provinces (problems which admittedly exist) through force rather than through negotiation and conciliation, but that she is seeking to establish in that region an altogether new position.

Even on the narrower basis of dictating a settlement of outstanding questions, and à fortiori on the wider basis of establishing a new position, it is evident that the solution thus dictated to China can<sup>not</sup> be one which the public opinion of China will accept as just; on the contrary it will serve only to inflame the public opinion of the country and will leave little hope of establishing any satisfactory relationship between China and Japan for a generation to come.

Japan is in the dilemma: (1) If she is seeking only her treaty rights in Manchuria, the solution is properly

by

- 4 -

by arbitration or by judicial action, calling (in disputes so long unsolved by direct action) in principle for neutral participation. (2) If her action is essentially aggressive, it is a case of imperialism pursued by war, and comes directly within the scope of the Nine-Power Pact.

If the Japanese Military Party "gets away with" the theft of Manchuria without military loss, and especially if they succeed in forcing China into a "peace" which will hamper Chinese boycotts and shackle China's efforts to build up defensive strength, all hope of defeating the prestige of the Military Party in Japan will have <sup>been</sup> ~~past~~ for a generation and nothing can be looked for except military pressure renewed against China whenever disputes arise between the two powers.

If the world is going to establish international relations on justice and equity and not on force, if the world is going to establish international security and make disarmament possible, now is the time to begin. If the United States Government is going to cut the ground from under the feet of the Big Navy jingoes, and save  
annually

- 5 -

annually \$100,000,000 or \$300,000,000 on armaments,  
now is the time to begin.

Several issues are at stake:

International peace in the Far East for the next  
20 to 50 years. The three Eastern Provinces under  
Japanese rule will be the world's largest and most  
explosive irredenta.

The success and prestige of all efforts to maintain  
peace and international justice by international action.

The saving to the United States of hundreds of  
millions annually for armament.

Very great amounts of American trade in Manchuria  
and in China.

The prestige of the United States among all weak  
nations, and especially its prestige and friendly  
standing with 450,000,000 Chinese.

It is clear that Japan intends to dictate a peace,  
though she could perhaps still give way and retire not  
too awkwardly behind her face-saving statements that  
she seeks only protection of her nationals. There are  
arguments for letting the Japanese Government further  
disclose

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

- 6 -

disclose its position, but that course involves substantial risks also. Immediate action seems better. The American people are turning against Japan, but on sentimental grounds rather than because they grasp the issues involved. Why would it not be the right move (in spite of the difficulties of formulating an acceptable statement) to lay before the American people a summary of the situation somewhat along the lines of the analysis hereinbefore presented and ask the American Congress and the American people whether they will support international justice and the peace treaties already in existence, at least to the extent of such measures of pressure as imposing an import duty of \$3.00 or \$5.00 a pound on silk, or whether they prefer to continue to spend \$800,000,000 a year on their Army and Navy.

EA:BBW:LEW



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 125 J 654/210 FOR Telegram 146, 9pm.

FROM China (Johnson) DATED January 29, 1932  
TO NAME 1-1127

REGARDING:

Situation in China; Minister Johnson to depart for Nanking  
with Mr. Engert and Mr. Murray January 31st.

793.94/3720

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

GRAY

Peiping via N. R.

Dated January 29, 1932

Rec'd 6:35 a. m.

Secretary of State,  
Washington.

146, January 29, 9 p. m.

I have just received the following telegram from the  
Acting Minister of Foreign Affairs:

"In view of the very grave situation that has already  
developed in Shanghai I have the honor to request Your  
Excellency to come to Nanking at once. Please favor  
me with a reply. Lowen Kan."

I propose to leave here for Nanking Sunday evening,  
January 31st, taking Engert and Murray.

JOHNSON

ARL

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

793.94

SEE 841.00 P.R./214 FOR #2498

FROM Great Britain ( Atherton ) DATED Jan. 11, 1932  
TO NAME 1-1127 ...

REGARDING:

Foreign Affairs - Manchuria.

Dispute between China and Japan regarding -.  
Discussion on -.

rc

793.94 / 3721

-8-

FOREIGN AFFAIRS.

Manchuria.

That hardy perennial, the dispute between China and Japan over Manchuria, which continues to flourish despite the zero weather prevailing in those parts, is again claiming attention. The development of the Japanese military operations which ended with the occupation of Chinchow, the site of the last vestiges of Chang Hsueh-liang's authority in Manchuria, had of course an importance beyond that of the occupation of additional Chinese territory, and a demarche in some form by the United States was expected. The earlier press despatches describing the identic notes sent by the United States to China and Japan were of a somewhat sensational nature, but upon examining their text the press here is agreed that the United States has no more than exercised its right to enter a caveat against any impairment of its treaty rights in China.

A certain degree of peevishness was reflected in official quarters here by the failure of the United States to consult fully with Great Britain before it dispatched these notes, and some doubt was expressed over the likelihood of the British Government taking advantage of the suggestion to forward similar notes to China and Japan. So later developments proved. Thus far the British Government has contented itself

with/

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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with requesting the Japanese Ambassador in London to obtain a confirmation of the various assurances given by Japan that the various principles set forth in the so-called Nine-Power Treaty will be respected.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

793.94/3722

SEE 841.113/153 FOR letter  
FROM J. Charles Lenthicum Committee on Foreign Affairs) DATED Jan. 23, 1932.  
TO MC NAME 1-1127 \*\*\*

REGARDING: Political relations between Japan and China.  
Advises against taking up the Morton D. Hull H.J.  
Resolution #53 regarding exportation of any articles of  
merchandise, or to make loans or grant credit thereto, except  
as Congress may permit or upon proclamation from the President,  
et cetera, at this time, owing to the aggression of the Japanese  
nation. Encloses copy of said H.J. Resolution.

mc

TELEGRAM RECEIVED DEPARTMENT OF STATE

FROM

MET

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

Secretary of State,

Washington

19, January 30, 1 p.m.

CONFIDENTIAL.

Foreign Office informs me that it is understood that British Government last night made representations in regard to Shanghai through Japanese Ambassador in London and that the Italian Government is disposed to follow the British lead.

GARRETT

RR-KLP

DEPARTMENT OF STATE  
FEB 5 1932  
Rome DIVISION OF  
WESTERN EUROPEAN AFFAIRS  
Dated January 30, 1932

Rec'd 9:30 a.m.

Division of  
FAR EASTERN AFFAIRS  
JAN 30 1932  
Department of State

F/LS

793.94/3723

FEB 6 1932

FILED

792.94  
note  
893.1025

MET

TELEGRAM RECEIVED

Shanghai via N.R.

FROM

Dated January 30, 1932

Rec'd 8:40 a.m.

Secretary of State,

Washington

PRIORITY.

January 30, 4 p.m.

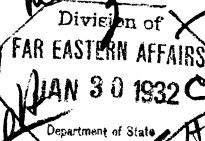
The Chairman of the Municipal Council has filed with the Senior Consul a protest against the operations of the Japanese military forces ashore in substance as follows:

One. General protest against violation of neutrality of the Settlement.

Two. The use of the Settlement as a base of operations by the Japanese forces against the Chinese forces.

Three. The interference and sending of Japanese troops into the sector set apart for the other nations in the defense scheme which was agreed to by the Japanese. This protest with special reference to the sector occupied by the American forces which, according to a report to informant, is patrolled by Japanese patrols over the protest of the American Commanding Officer. Also with particular

reference





MET

2-Shanghai via N.R., January 30,  
4 p.m.

reference to the area of the International Settlement bounded by Honan Road, Range Road and Hongkew Creek, where Japanese in plain clothes are interfering with the duties of the Municipal police.

Two. The complaints of the chairman against Japanese is well founded. Similar complaints have been made several times by the Chinese members of the Municipal Council.

Protests have been received from individual Americans as well as from the Commander of the American marines ashore who claims that although the International Settlement is divided into sectors the Japanese completely disregard the division so far as the American sector is concerned and are constantly encroaching upon his division.

Three. Now there faces very difficult question to handle. It is full of bristling difficulties that require tact, early settlement, discretion and therefore instructions for my guidance before 8 o'clock tomorrow morning will be greatly appreciated. Repeated to the Legation.

CUNNINGHAM

HPD

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect  
Charge Department

Charge to  
\$

TELEGRAM SENT

Department of State

This cable was sent in conformity with the provisions of the Espionage Laws of the United States. It should be carefully paraphrased before being transmitted to foreign governments.

Washington,

JAN 30 1932

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

American Consul,

Shanghai, (China).

Confidential.

Your January 30, 4 p. m. and the Department's January 30, 2 p. m.

The Department understands that the American sector in the defense plan of Shanghai, to which the Council refers as having been encroached upon, consists of that irregular rectangular area of the western district of the International Settlement approximately bounded as follows: north and east by the Soochow Creek, south by Sinza Road and west by the western boundary of the International Settlement. According to the Municipal Council's plan of Shanghai, dated 1928, there are a number of Japanese factories in that area. If the above understanding and the plan referred to are correct and if the alleged encroachment results from the despatch of military units by the Japanese authorities to protect the Japanese factories in the sector referred to, the Department ventures to suggest ~~that there might be some~~ rearrangement of the defense plan of Shanghai whereby the Japanese would be assigned that part of the American sector Enciphered by in which Japanese interests predominate.

Sent by operator M. 19

Index Bu.-No.

JP

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U. S. GOVERNMENT PRINTING OFFICE: 1932 1-138

793.94/3724

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM SENT

1-138

TO BE TRANSMITTED

~~CONFIDENTIAL CODE~~

NONCONFIDENTIAL CODE

PLAIN

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect

Charge Department

OR

Charge to  
\$

Department of State

Washington,

January 30, 1932.

This cable was sent in confidential Code.  
It should be carefully paraphrased before  
being communicated to anyone.

AMERICAN CONSUL,

SHANGHAI (China).

Double priority.

Your January 30, 4 p. m.

One. I desire that you as American Consul General  
urge that questions relating to disposition of foreign  
forces under defense scheme be referred to senior officer  
of the defense forces. I desire further that you as  
American Consul General inform the Commanding Officer of  
American forces that the American Government desires that  
<sup>reasonable</sup> every means possible be taken to avoid a clash between  
American and Japanese forces. I urge that the utmost  
forbearance be observed and that every effort be made to  
remove by conciliation any friction that may develop between  
the American and other defense forces.

Two. I desire that you as Senior Consul present to the  
consular body the protest filed by the Chairman of the  
Municipal Council. With regard to the general protest against  
the violation of the neutrality of the Settlement and the  
protest against the use of the Settlement as a base of  
operations by the Japanese forces against the Chinese forces,

I suggest

Enciphered by .....

Sent by operator ..... M., ..... 19.....

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793.94/3724

793.94/3724  
note  
893.102-S

1405

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
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TELEGRAM SENT

2-138  
TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Department of State

Washington,

- 2 -

I suggest that consular body discuss these questions and report their views to the various Ministers concerned for reference to their respective Governments.

Three. Minister Johnson is leaving Peiping for Nanking on January 31. Keep him fully informed.

*Stinson*

*W.C.B.*

*108*  
*Jan 30 1932*

FE:MMH:REK  
*mmh*

*RAM*  
*FE*  
*Jan 30*

*25*  
*Jan 30 1932*  
*mmh*

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_, \_\_\_\_\_

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1928 1-138

January 30, 1932.

Paraphrase of telegram to American Consul General  
at Shanghai, dated January 30, 1932, in reply to  
Consul General's telegram of January 30, 4 p. m.

One. The American Consul General is instructed to urge that matters bearing upon the disposition of foreign forces under the defense scheme be referred to the senior officer of the defense forces. The Consul General is instructed further to inform the Commanding Officer of American forces that this Government desires that every means possible be taken to avoid a clash between American and Japanese forces. The Secretary of State desires that the utmost forbearance be observed and that effort be made to remove by conciliation any friction that may develop between the American and the other defense units.

Two. The American Consul General is instructed in his capacity as Senior Consul to present to the consular body the protest filed with the Senior Consul by the Chairman of the Municipal Council. Referring to the protest against the use of the Settlement as a base of Japanese operations and the general protest against the violation of the neutrality of the Settlement, it was suggested to the American Consul General that this matter be discussed by the consular body which should report its views to the various

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m.w.

F.W.

793 94/3724

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Dutzman NARS, Date 12-18-75

- 2 -

various Ministers concerned for transmission to their Governments.

Three. The Consul General was requested to keep Minister Johnson fully informed of developments and the Consul General was informed that Minister Johnson was leaving Peiping for Nanking on January 31.

MMH/REK

MET

TELEGRAM RECEIVED

Shanghai via N.R.

FROM

Dated January 30, 1932

Rec'd 8:40 a.m.

Secretary of State,

Washington

PRIORITY.

January 30, 4 p.m.

The Chairman of the Municipal Council has filed with the Senior Consul a protest against the operations of the Japanese military forces ashore in substance as follows:

One. General protest against violation of neutrality of the Settlement.

Two. The use of the Settlement as a base of operations by the Japanese forces against the Chinese forces.

Three. The interference and sending of Japanese troops into the sector set apart for the other nations in the defense scheme which was agreed to by the Japanese. This protest with special reference to the sector occupied by the American forces which, according to a report to informant, is patrolled by Japanese patrols over the protest of the American Commanding Officer. Also with particular

reference

793.94  
W. H. S.  
892-1025

Division of  
FAR EASTERN AFFAIRS  
JAN 30 1932  
Department of State

4-10-75  
1-30-32

F/LS  
793.94/3724  
FILED  
JAN 5 1932

MET

2-Shanghai via N.R., January 30,  
4 p.m.

reference to the area of the International Settlement bounded by Honan Road, Range Road and Hongkew Creek, where Japanese in plain clothes are interfering with the duties of the Municipal police.

Two. The complaints of the chairman against Japanese is well founded. Similar complaints have been made several times by the Chinese members of the Municipal Council. Protests have been received from individual Americans as well as from the Commander of the American marines ashore who claims that although the International Settlement is divided into sectors the Japanese completely disregard the division so far as the American sector is concerned and are constantly encroaching upon his division.

Three. Now there faces very difficult question to handle. It is full of bristling difficulties that require tact, early settlement, discretion and therefore instructions for my guidance before 8 o'clock tomorrow morning will be greatly appreciated. Repeated to the Legation.

CUNNINGHAM

HPD



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REC'D  
TELEGRAM SENT

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

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Department of State

This cable was sent in compliance of the  
It should be carefully paraphrased  
and transmitted to Tokyo

1-138

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

JAN 30 1932

JAN 30 1932

American Consul,

Shanghai, (China).

Confidential.

Your January 30, 4 p. m. and the Department's January  
30, 2 p. m.

The Department understands that the American sector in the defense plan of Shanghai, to which the Council refers as having been encroached upon, consists of that irregular rectangular area of the western district of the International Settlement approximately bounded as follows: north and east by the Soochow Creek, south by Sinza Road and west by the western boundary of the International Settlement. According to the Municipal Council's plan of Shanghai, dated 1928, there are a number of Japanese factories in that area. If the above understanding and the plan referred to are correct and if the alleged encroachment results from the despatch of military units by the Japanese authorities to protect the Japanese factories in the sector referred to, the Department ventures to suggest ~~that there might be some~~ rearrangement of the defense plan of Shanghai whereby the Japanese would be assigned that part of the American sector

Enciphered by in which Japanese interests predominate.

Sent by operator M., 19

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

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## TELEGRAM SENT

Department of State

1-138

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Washington,

- 2 -

The above is offered merely as a suggestion for such  
consideration as may be found practicable.

*Stinson*  
*WZ*

FE: SKH: REK

*RRW*  
*mm*  
*FE*  
*SKH*

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_, \_\_\_\_\_

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM SENT

1-138

TO BE TRANSMITTED

~~CONFIDENTIAL CODE~~

NONCONFIDENTIAL CODE

PLAIN

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

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\$

Department of State

Washington,

January 30, 1932.

This cable was sent in confidential Code.  
It should be carefully paraphrased before  
being communicated to anyone.

AMERICAN CONSUL,

SHANGHAI (China).

Double priority.

Your January 30, 4 p. m.

One. I desire that you as American Consul General

urge that questions relating to disposition of foreign  
forces under defense scheme be referred to senior officer  
of the defense forces. I desire further that you as  
American Consul General inform the Commanding Officer of  
American forces that the American Government <sup>reasonable</sup> desires that  
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American and Japanese forces. I urge that the utmost  
forbearance be observed and that every effort be made to  
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Two. I desire that you as Senior Consul present to the  
consular body the protest filed by the Chairman of the  
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the violation of the neutrality of the Settlement and the  
protest against the use of the Settlement as a base of  
operations by the Japanese forces against the Chinese forces,

I suggest

Enciphered by .....

Sent by operator ..... M., ..... 19.....

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U. S. GOVERNMENT PRINTING OFFICE: 1929 1-138

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect  
Charge Department

OR

Charge to  
\$

## TELEGRAM SENT

Department of State

1-138

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Washington,

- 2 -

I suggest that consular body discuss these questions and report their views to the various Ministers concerned for reference to their respective Governments.

Three. Minister Johnson is leaving Peiping for Nanking on January 31. Keep him fully informed.

*Stinson*

FE:MMH:REK  
*mmh*

*FCR*  
*Jan 25 1932*

*MMH*  
FE

*612*  
*Jan 20 1932*  
*25*  
*1*  
*25*

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_

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U. S. GOVERNMENT PRINTING OFFICE: 1929 1-138

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

January 30, 1932.

Paraphrase of telegram to American Consul General  
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Consul General's telegram of January 30, 4 p. m.

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officer of the defense forces. The Consul General is  
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American forces that this Government desires that every  
means possible be taken to avoid a clash between American  
and Japanese forces. The Secretary of State desires that  
the utmost forbearance be observed and that effort be made  
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Two. The American Consul General is instructed in his  
capacity as Senior Consul to present to the consular body  
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the use of the Settlement as a base of Japanese operations  
and the general protest against the violation of the  
neutrality of the Settlement, it was suggested to the  
American Consul General that this matter be discussed by  
the consular body which should report its views to the  
various

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F. W.

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

- 2 -

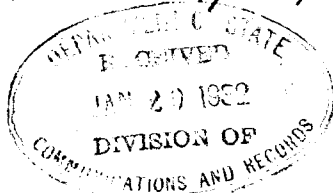
various Ministers concerned for transmission to their Governments.

Three. The Consul General was requested to keep Minister Johnson fully informed of developments and the Consul General was informed that Minister Johnson was leaving Peiping for Nanking on January 31.

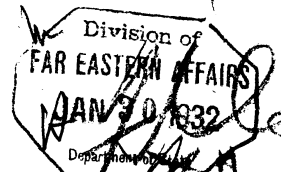
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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

*Left with the Secretary of State  
by the British ambassador 29 Jan. 32,  
10:15  
AM.*

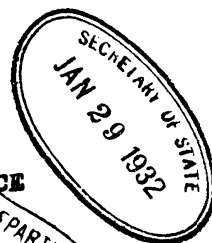


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RECEIVED

JAN 29 1932



SECRETARY'S OFFICE

793.94  
note  
893.102-S

His Majesty's Government fully share the anxiety of the United States Government to take any effective and timely action calculated to diminish the dangers of the situation between China and Japan. They have instructed His Majesty's Ambassador to notify the Japanese Government, as suggested, that nothing in the present situation could justify the entry of Japanese armed forces in the International Settlement at Shanghai. His Majesty's Ambassador has been instructed to inform his United States Colleague of his action. It is assumed that the latter is similarly authorized. His Majesty's Government have also invited the French and Italian Governments to take similar action.

They feel some anxiety lest the Japanese may seek to defend the action which it is feared they may take, by quoting the precedent of 1926, even though the circumstances were different. It is felt therefore that the representations made should bear this point in mind.

On January 28 the Secretary of the Japanese Embassy left a message at the Foreign Office to the effect that the Chinese menacing attitude was causing anxiety to the Japanese residents in Shanghai. It was feared that in order to check anticipated Chinese movements, some drastic action might have to be taken. The Japanese authorities on the spot however were alive to the international character of Shanghai and were keeping in contact with the Consuls of the Powers interested and with the Municipality.

Sir/.....

793.94/3725

FILED

FEB 2 1932

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigson NARS, Date 12-18-75

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Sir John Simon sent for the Secretary and asked what drastic action was contemplated. The Secretary suggested that the first step would be to suppress by force the headquarters of the anticipated Chinese movement in the Settlement. Sir John Simon expressed grave concern. He pointed out that a number of Governments were jointly concerned in the area. If any action in it were necessary, all the different Powers concerned should be informed and invited to act jointly.



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State Letter, August 10, 1972  
By M. J. O. Dwyer NARS, Date 12-18-75

January 30, 1932.

MEMORANDUM OF TRANSATLANTIC TELEPHONE CONVERSATION BETWEEN  
SECRETARY STIMSON AND PRIME MINISTER J. RANSAY MACDONALD.  
AT 6:10 P.M. 28 JANUARY 1932.

SECRETARY: Hello, Mr. MacDonald. I am calling you informally on a very important matter. I am as much disturbed over the situation at Shanghai as you are. We seem to be in pretty good accord as to what we feel about it, your country and mine, but things seem to be going from bad to worse.

MR. MACDONALD: Yes, they are.

SECRETARY: The President today made a sensational suggestion that I want to put up to you. It is very unconventional but the time requires something striking. He wants you to consider whether the heads of our two countries could not appeal directly to the heads of the two Governments of Japan and China, mainly aimed at Japan to ask for a cessation of hostilities and of all hostile actions in order that negotiations could be at once established between them for the settlement of their outstanding controversies but with the attendance of neutral observers.

MR. MACDONALD: That is that!

SECRETARY: With the attendance of outside representatives as observers and assistants. In other words we have in mind the precedent that was used in 1922 when Mr. Balfour and Mr. Hughes acted as such observers in the Shantung matter.

MR. MACDONALD: Yes.

SECRETARY: China cannot negotiate alone as against Japan.

MR. MACDONALD: Yes.

SECRETARY: Now the President suggests a direct appeal to the Emperor by himself, and if the King would do that on your side, I suppose that in the case of both countries making

793.94/3725 1/2

Confidential File

- 2 -

making such a direct appeal it would have to be the Chief of State.

MR. MACDONALD: I should imagine that.

SECRETARY: No one else can appeal to the Emperor.

MR. MACDONALD: Yes.

SECRETARY: The President has gone so far as to draft hurriedly a direct appeal which I have before me, but it is rather too long to read and it is only a rough suggestion. Now, if you think it would be worth while considering I can telegraph it to you tonight.

MR. MACDONALD: It is a very sudden proposal, you take me unprepared.

SECRETARY: Yes, I know. My apology----

MR. MACDONALD: No apology.

SECRETARY: Events are moving so fast that I am afraid there will be a declaration of war by China in which case she would throw herself completely into the hands of Japan.

MR. MACDONALD: Completely, yes.

SECRETARY: You see?

MR. MACDONALD: Yes.

SECRETARY: I am rather afraid of that; that is why I called you up. I tried to get Atherton so that he could go around and see you but he was away so I cut the formality and called you direct.

MR. MACDONALD: I appreciate it very much.

SECRETARY: I hope you and the Foreign Minister will excuse my liberty.

MR. MACDONALD: That is all right. I have been away since Wednesday and have just come in within the last hour. I  
would

- 3 -

would like to consider this. What about replying to you tomorrow morning.

SECRETARY: Of course you must take your own time.

MR. MACDONALD: Yes.

SECRETARY: Would it help you as a suggestion to have me telegraph the rough draft which the President wrote out for the case of Japan?

MR. MACDONALD: Yes, I would like very much to have it.

SECRETARY: Of course, in the case of China it would be very different and much more brief. This is in the nature of an appeal based upon the terrible condition in which China is being placed and the effect it will have on all the world.

MR. MACDONALD: Yes, I quite appreciate that. Now, I will be very glad if you will telegraph it to me tonight.

SECRETARY: Yes. In case for any reason the King would not do it, why of course your country can take whatever form she likes, but I should hardly advise the President to do it unless you could join, unless you did the same thing independently. I think for one of us to do it it would lose three-fourths of the force, but if we both did it . . .

MR. MACDONALD: I quite agree.

SECRETARY: We have been acting so closely together I think it would have a good deal of force. We would endeavor to put the appeal in such shape that it would be difficult for them to refuse.

MR. MACDONALD: Good.

SECRETARY: And I want you to be perfectly frank in your reaction in stating it to me.

MR. MACDONALD: I certainly will.

SECRETARY: Because it is a very extraordinary proposition.

- 4 -

MR. ADDONALD: It is an extraordinary proposal.

SECRETARY: It is a very extraordinary time.

MR. MACDONALD: Your idea would be that the messages should go separately but at the same time.

SECRETARY: Separately but at the same time. We should then want to go carefully into such arrangements as to privacy. We should have to decide upon later how soon it would be made public.

MR. ADDONALD: Now there is another question. Is it your idea that only we two should do it or should other states

SECRETARY: If there is any one else that we could count upon to do it and at once we are not at all exclusive. We should be glad to have them, but in the case of one of our friends I am afraid of delays.

MR. ADDONALD: I know. If this thing is to be settled there should be no delay.

SECRETARY: There should be no delays at all.

MR. MACDONALD: Very well. If you send that statement over, I shall have it considered immediately.

SECRETARY: All right. I shall have it sent tonight.

MR. ADDONALD: I can . . .

SECRETARY: What?

MR. ADDONALD: I think I can give you an answer before the middle of the day tomorrow.

SECRETARY: Can you send it by cable or would you prefer to talk to me. Whatever you like, but let me know beforehand.

MR. ADDONALD: We should telephone or cable.  
unless

SECRETARY: If you send your first message early, it would be quicker to cable.

MR. ADDONALD: It would be quicker to cable. Yes, it would be better than to telephone.

- 5 -

SECRETARY: And you will send it through Lindsay, I suppose. I am a little embarrassed by not being able to get Atherton, but we may be able to get him later.

MR. MACDONALD: Is Atherton away?

SECRETARY: I tried to get him this afternoon, but have been unable to locate him. I doubt if he is far away.

MR. MACDONALD: He will do it in the most expeditious way.

SECRETARY: I shall send it to you at once. Good-bye.

MR. MACDONALD: Hold on. If we decided to do it, we could communicate at once with the other states in a very secret way and find out what their view is, but in the meantime go ahead.

SECRETARY: I should think so.

MR. MACDONALD: Yes, go ahead.

SECRETARY: I should think so. If there is any delay during the communication it would be sure to leak out.

MR. MACDONALD: Certainly. But we could do would be, you and we send it simultaneously and inform the others and then let them act at once or let them come in later on.

SECRETARY: Yes, I see. I think that is the best way.

MR. MACDONALD: I wish to think about it. It was a surprise.

SECRETARY: Don't hesitate to call me by telephone if it is more convenient to do that.

MR. MACDONALD: I shall do that.

SECRETARY: All right, sir. I sent you a letter in reply to your own by the pouch on the PACIFIC. You will get it in a few days.

MR. MACDONALD: That will be all right. We have been worried about everything. There is just one thing on this Japanese situation we have received since I arrived here tonight, a message we have just heard as a matter of fact from our chief officer of the Navy in Shanghai of the

- 6 -

Japanese using the International Settlement for offense and defense and we have asked our man in Tokyo to make a very strong representation against that.

MCINTYRE: Well, I will be glad to join in that as soon as I get similar notice. I have already joined in your second appeal which you sent yesterday.

MR. McINTYRE: Yes.

MCINTYRE: It was sent yesterday and it followed exactly the same lines as yours.

MR. McINTYRE: Was it the first?

MCINTYRE: I am talking about the second.

MR. McINTYRE: *I have just sent a third.*  
I am just telling you that tonight that has come.

MCINTYRE: I have heard rumors of that through the press. They have not been confirmed.

MR. McINTYRE: We have that confirmed from our Chief Naval Officer.

MCINTYRE: But as far as I can get a basis for it I shall do the same thing.

MR. McINTYRE: Very well, I am so glad to hear your voice.

MCINTYRE: Good-bye.

MR. McINTYRE: Good night.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972

By Milton O. Gutzfelm NAHS, Date 12-18-75

January 30, 1972.

Dear Mr. President:

Attached hereto is a stenographic record of the Secretary's telephone conversation this evening with Prime Minister MacDonald which the Secretary has asked that I hand to you for your confidential information.

Faithfully yours,

*Hayden*

Enclosure:  
Record.

793.94/3725 1/2

# Confidential File

The President,  
The White House.

S HSC:OBS



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 393,115 Radio Corp. of America/FOR Tel#30 9p.m.  
10

FROM Japan ( Forbes ) DATED Jan 30, 1932  
TO NAME 1-1127 ...

REGARDING: Shanghai Wireless Station.

Foreign Office assures that <sup>it</sup> - has been injured or  
interfered with, it was not by direction or approval  
of the Japanese Government. Japanese Government will  
make proper reparation.

793.94 / 3726

793.94

142  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

MET

GRAY

Tokio

Dated January 30, 1932.

Rec'd 9:05 a.m.

Secretary of State,

Washington.

30, January 30, 9 p.m.

My telegram No. 29, January 30, 4 p.m.

I have been asked to call on the Minister for Foreign Affairs tomorrow at 4 p.m.

I am told that reliable information in regard to the alleged injuries to the wireless station at Shanghai is not yet to hand.

The Foreign Office assures me that it it has been injured or interfered with it was not by direction or approval of the Japanese Government. If inadvertently any Japanese agency proves to have done any injury to it the Japanese Government will make proper reparation.

FORBES

RPF-MA

MET

TELEGRAM RECEIVED

GRAY

Peiping via N.R.

Dated January 30, 1932

FROM

Rec'd 8:50 a.m.

Secretary of State,

Washington

157, January 30, 5 p.m.

Following from American Consul General at Nanking:

"January 29, 7 p.m. My January 27, 10 p.m.

One. The Japanese Consul called this morning and repeated assurances that Japanese vessels would not take (?) in farther than action. He stated the Chinese authorities in Nanking are likewise determined to avoid hostilities here. He has withdrawn himself, staff and remaining nationals on to Japanese commercial vessel in the harbor and has publicly announced that this action has been taken to avoid possibility of an incident in Nanking. The city is quiet. News of the hostilities in Shanghai first reached this office through Chinese sources at Buck.

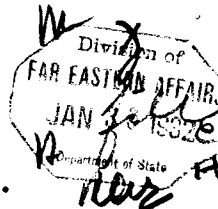
Two. The Government has appointed T. V. Soong Minister of Finance and Vice President of the Executive Yuan and he has just arrived in Nanking to assume his posts. I have been informed that the Government has created a military council

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

F/LS 793.94/3728

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142  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2-#157 from Peiping via N.R.  
January 30, 1932, 5 pm

council which will include practically all prominent leaders throughout the country. With appointment of Wang and Lo the Government is thus definitely increasing in vigor and stability.

Three. Several American citizens were invited to a conference today and were informed regarding the situation. They agreed that the situation does not call for evacuation at present. Moreover, this would probably be impossible since there is no rail communication with Shanghai. They expressed the general intentions to follow Consular advice regarding evacuation.

JOHNSON

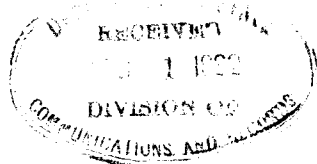
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TELEGRAM RECEIVED

REP

CORRECTED FROM COPY

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



GRAY

Peiping via N. R.

Dated January 30, 1932

Rec'd 8:50 a. m.

Secretary of State,  
Washington.

157, January 30, 5 p. m.

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"January 29, 7 p. m. My January 27, 10 p. m.

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Two. The Government has appointed T. V. Soong Minister of Finance and Vice President of the Executive

Yuan

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FEB 8 1932

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2- #157, from Peiping, Jan. 30, 5 p.m.

Yuan and he has just arrived in Nanking to assume his posts. I have been informed that the Government has created a military council which will include practically all prominent leaders throughout the country. With appointment of Wang and Lo the Government is thus definitely increasing in vigor and stability.

Three. Several American citizens were invited to a conference today and were informed regarding the situation. They agreed that the situation does not call for evacuation at present. Moreover, this would probably be impossible since there is no rail communication with Shanghai. They expressed the general intentions to follow Consular advice regarding evacuation.

JOHNSON

RR

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

rh

GRAY

TELEGRAM RECEIVED

Dated Jan. 30, 1932

FROM

SECRETARY OF STATE

WASHINGTON

158, January 30, 6 pm

Following telegram has been sent to Shanghai:

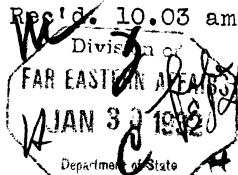
"January 30, 5 pm

One. Your January 29, 4 pm. Japanese state that their action in occupying Chapel was a "measure for the protection of their nationals and a part of the general definite scheme of the settlement; that it was not connected with the demands".

Tokyo's January 29, 3 pm to the Department: Japanese Navy Department states that the landing of Japanese forces "was with an understanding with the Shanghai Municipal authorities to protect Japanese residents outside settlement zone".

Two. If you consider the above statement an accurate one and if you consider the Japanese action, even although ill advised, to have been motivated as above described it does not seem to me that the complaint of the Chinese members of the Council that the Japanese were using the Settlement as a base of operations would be well founded.

(Your



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rh #2 of No. 158 from Peiping

(Your January 29, 6 pm, paragraph one).

If, however, you consider the Japanese contention incorrect as to fact and that their primary purpose was to overawe the Chinese in the Shanghai area in order to carry out their private objectives in China, it would then seem to me that the Chinese had a just complaint that the Settlement was being used as a base against them. It should seem obvious to the Japanese that if their troops traverse the Settlement with the object above stated they are not respecting Settlement neutrality. (Your January 29, 7 pm, paragraph six of Japanese statement)

Three. Please submit your views by confidential code in regard to foregoing and as to the likelihood of this issue becoming an urgent one."

JOHNSON

HPD



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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

TELEGRAM RECEIVED

FROM

DEPARTMENT OF STATE

GRAY AND GREEN 1932

Geneva DIVISION OF

Dated January 29, 1932

Rec'd 3:07 a. m. 30th.

Secretary of State,  
Washington.

55, January 29, 8 p. m.

One. The Council, other than the parties to the dispute, held a private meeting this afternoon to study the new situation brought about by China's invocation of Articles 10 and 15 of the Covenant. Certain juridical questions relating to the concurrent application of Articles 11 and 15 still require clarification and the members of the Council are considering them as well as certain matters of procedure involved therein. The points, however, on which definite conclusions were reached were brought out in the public session which followed immediately afterwards.

Two. At the opening of the public session Drummond at once read Yen's letter invoking Articles 10 and 15 of the Covenant which letter was transmitted in Consulate's 50, January 29, 9 a. m.

Three. Boncour then informed the Council of the statement

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2- #55, from Geneva, Jan. 29, 8 p.m.

statement which had been drafted yesterday by the members of the Council, other than China and Japan, which it was hoped would conclude the question as far as the present session was concerned. He then virtually repeated the statement which was transmitted in Consulate's 49, January 28, 7 p. m. with the exception of that paragraph relating to the Commission of Inquiry.

Four. Boncour then went on to say that now, however, the new request of China imposes new duties upon the Council. In this regard the Council must be guided by what is accepted as a legal interpretation of the situation given in 1927 and on other occasions whereby procedure under Article 15 cannot conflict with the continuation of efforts for conciliation under Article 11. He expressed the opinion that according to the Covenant as soon as Article 15 was invoked that Article must be applied. Quoting paragraph one of that Article Boncour stated that he would later in the meeting call upon the Secretary General to explain to the Council what proposals he desires to put before it.

Five. Yen then spoke briefly to the following effect:

China appreciates the efforts of the League under

Article 11

REP

3- #55, from Geneva, Jan. 29, 8 p.m.

Article 11 but is compelled to recognize that these efforts have proved ineffectual. Stating that the territorial and administrative integrity of China has been destroyed and her independence threatened by external aggression, Yen then read Article 10 declaring that the first sentence of this Article had become operative and that it remains for the Council to act under the second sentence. Yen further stated that the Japanese use of armed force without submitting the entire matter to arbitration or judicial settlement and without awaiting the outcome of the inquiry by the Council is in direct violation of the letter and the spirit of the Covenant.

893, 102-3  
Six. In conclusion he read an official telegram January 29 from Nanking regarding the landing of Japanese troops in Shanghai. This telegram affirmed that although the Japanese Consul General in Shanghai was satisfied with the reply of the Chinese Municipal Government the Japanese Naval Commander had delivered an ultimatum demanding the immediate withdrawal of Chinese troops. While the Chinese authorities were protesting against this ultimatum the Japanese troops commenced machine gun fire on Chinese forces. The telegram then recounted that after this clash Japanese marines were landed from all (\*).

Seven.

REP

4- #55, from Geneva, Jan. 29, 8 p.m.

Seven. In reply Sato announced that he had received an official telegram which gave an entirely different picture of events in Shanghai. This telegram stated that on January 27 the commanders of the foreign forces at Shanghai divided up to the city into protection zones, one of which was assigned to Japan, and which were geographically identified. The British and American Consuls General had advised their nationals outside the concession to return within it. Meanwhile great disorder was being created by agitators and soldiers in disguise and by the advance of Chinese troops along the railway line from Woosung. The Municipal Council declared a state of siege on January 28. In view of the critical situation the Japanese Naval Commander decided to protect Japanese nationals by establishing marine posts in the Japanese zone and when these marines were going to the posts they were attacked by regular Chinese forces. In addition disguised Chinese soldiers had commenced to create disorder within the Japanese protection zone. Later other offensive measures were undertaken by Chinese troops which led to the reinforcement of the Japanese marines.

Sato's interpretation of this telegram was that it  
was not

REP

5- #55, from Geneva, Jan. 29, 8 p.m.

was not the Japanese who took the decision to land but that the landing was preceded by advice and a request from the commanders of the foreign forces who had allotted to each nation the zone that it was to protect. The marines who were landed in virtue of this decision of the commanders of the foreign forces were attacked by Chinese.

Eight. In response to the Chinese accusation that Japan had violated its territorial integrity Sato recalled that there were precedents for such incidents, notably in 1927, and that Japan had not been the first to introduce such measures.

Nine. With regard to the invocation of Article 15, Sato insisted that the Council has carried on discussions under Article 11 and if the matter were now to be discussed under Article 15 "the very basis of the discussion in the Council would have to be radically changed". In support of this view he declared that the provisions of these two Articles are entirely different, claiming that Article 11 deals with threats, war, or circumstances constituting a threat of peace, and that Article 15 deals with disputes likely to lead to a rupture. He doubted if the Council could act under both Articles at the same time pointing out that under Article 15 the Secretary General can make all arrangements

REP

6- #55, from Geneva, Jan. 29, 8 p.m.

793.94-Comm.  
all arrangements for a full investigation on the spot but that such inquiries could not be of the same character as those undertaken by a Commission of Inquiry as constituted under the Council resolution of December 10. He then suggested that the departure of the Commission of Inquiry should be postponed until the Council has settled the points just raised. Sato then objected to the presentation of the Chinese statements and documents under Article 11 as constituting a Chinese statement to be examined by the Council under Article 15. Reiterating that under Article 15 the Council is charged with the examination of a "dispute likely to lead to a rupture", Sato questioned whether the Chinese Government intends to proceed to an immediate rupture. Recalling that the dispute was originally caused by destructive acts of Chinese soldiers in Manchuria and that action by the Japanese had been in the nature of "self protection necessary in regions where contrary to conditions existing normally, there is no legal protection from the authorities", Sato could not admit in these circumstances the existence of a dispute subject to settlement as provided for under Article 15. In conclusion Sato reiterated the willingness of Japan to enter into direct negotiations with the Chinese Government and questioned whether

REP

7- #55, from Geneva, Jan. 29, 8 p.m.

whether the latter was justified in bringing a question before the Council before it has tried to settle the question by diplomatic means with the government concerned,

Ten. In reply to Sato's objections regarding the procedure, Boncour pointed out that contrary to the Japanese point of view the Chinese appeal is not a matter on which the Council is free to act as it will. He declared that under Article 15 any member of the League can bring a question before the Council and the Secretary General must immediately make arrangements for securing information and there can be no doubt as to whether the Council would apply that Article. He then reminded the Japanese representative that the findings of a committee which was appointed to consider this question, presided by Adachi and confirmed by the Council unanimously March 13th, 1924, clearly indicated that the Council, when seized of a dispute submitted under Article 15 as "likely to lead to a rupture", is not bound either at the request of the other party or on its own authority and before inquiring into any point to decide whether in fact such description is well founded. Furthermore, the Council may at all times estimate they had (\*) of a dispute and determine the course of its action accordingly. In view of this expression of opinion by jurists, Boncour did not believe

REP

8- #55, from Geneva, Jan. 29, 8 p.m.

did not believe that the Council could reject a request that the matter be considered under that Article.

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With reference to the question whether procedure under Article 15 would automatically cancel procedure under Article 11, Boncour declared that the action of the Council under Article 15 is clearly defined and that "it may be said that that procedure is not incompatible with the measures already taken under Article 11". In this connection he referred to a request by (?) Osaka at the 6th session of the Council wherein the Council was asked that both Articles should be applied and that no objection was raised to these Articles being applied at the same time.

Boncour then called upon the Secretary General to explain what procedure he had in mind to secure the necessary information. Drummond then explained that Article 15 clearly contemplates an investigation by the Secretary General and also that the parties to the dispute should communicate to the Secretary General a statement of their case. He did not consider, however, that Yen's reference to evidence submitted under Article 11 constituted all the relevant facts and papers and he expressed the hope that the latter would furnish him with a comprehensive statement...

Drummond



REP

9- #55, from Geneva, Jan. 29, 8 p. m.

Drummond considered it of the greatest importance that the Council should have impartial and speedy information as to the origin and development of the dispute, particularly with regard to the Shanghai incidents. He therefore requested that as the Chinese appeal under Article 15 had only been received today that he be allowed until tomorrow morning to make definite proposals in this regard.

Twelve. Sato reserved the right to make further observations on Boncour's statement regarding procedure especially in view of the heavy responsibilities which the Council is undertaking.

Thirteen. The discussion on the Chinese appeal concluded with a statement by Boncour urging both the Chinese and Japanese representatives to telegraph to their Governments "reporting the emotion with which the Council is following the present grave events and that the Council will not terminate its action until, in accordance with the Covenant, it has discharged the heavy duties which fall upon it". He also urged both parties to do everything to avoid further clashes.

Yen and Sato promise to telegraph to this effect but Sato added that he feared that the already tense relations between the two countries would not be improved by this new step on the part of China.

GILBERT

KLP - HPD

(\*) Apparent omissions.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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S/H  
see last p  
p. 5; but  
he may have  
changed his  
mind about this  
one

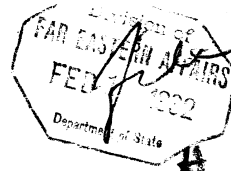
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Anything in  
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S/H



EMBASSY OF THE  
UNITED STATES OF AMERICA

Tokyo, Japan, January 16, 1932.

Personal.



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JAN 30 1932

SECRETARY'S OFFICE

793.94  
note  
893.00

F/LS 793.94/3731

See  
793.94 / 3732  
4163

The Honorable

Henry L. Stimson,

Secretary of State,

Washington.

Dear Mr. Secretary,

This whole Manchurian situation contains a great deal of food for thought and it seems appropriate to summarize some aspects of it:

(1) The situation had become intolerable and had to be rectified. It was madieval and chaotic in regard to (a) public order; (b) finance; and (c) the irresponsibility of the administrative officers of the government among other things.

(2) The Japanese had succeeded in bringing about a really constructive development of Manchuria, evidenced by (a) the construction of admirable railroads and

successfully

JAN 14 1932

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CONFIDENTIAL FILE

- 2 -

successfully operated industries, aggregating a billion dollars in value; and (b) the maintenance of a degree of order which induced a large immigration of Chinese, running into many millions.

(3) It is indubitable that Japan looked upon the continuance of their Manchurian connection as an economic necessity for their country.

(4) The Chinese National Government was weak, changeable and utterly unable to cope with the Manchurian situation.

(5) The bandits were becoming an increasing menace to the continued proper development of Manchuria, and were utterly beyond the capacity of the young Marshal Chang to cope with. These bandits are roughly divisible into two classes: those that might be called traditional bandits who had a certain code and hence were not so destructive, and the occasional bandits, usually soldiers, often regularly enrolled, who had not received their pay and proposed to levy what they wanted for themselves and habitually took too much. The increase of bandit raids from nine a year in 1906 to one a day in 1928 is sufficient proof, if proof were needed, of the need of some vigorous and drastic action.

(6) The only way to establish order and maintain it in Manchuria was by the exceptional exercise of force of some kind. Under existing circumstances it could not be done by the police or other usual agencies of peace as at that time organized there.

(7) If these premises are admitted, the question arises as to how this force was to be exerted. The

obvious

- 3 -

obvious answer is that it should have been done by the Chinese, or at least by Chinese initiative, and by Chinese consent. The question then arises as to how this action should have been obtained. And here, it appears, the Japanese made their serious strategic error. They should have invoked the agencies of peace, and called upon them to bring pressure to bear upon the Chinese: (a) either to suppress banditry, reach a solution of the questions at issue, and live up to the terms of their agreements, or (b) to get some other agency to accomplish these ends, such as an international police force; or (c), in the event of the matter being taken up by the League of Nations, to consent to a mandate to Japan to restore order in Manchuria within a definite period. Some such action would have directed international attention to conditions in Manchuria. The Japanese would have appeared in a more favorable light before the world, and would be in a position of taking action only after due notice had been given.

(8) The League of Nations has neither the armed force, the money, nor the political structure necessary to bring about the forcible restoration of order in a place like Manchuria. The League, therefore, could only have brought about a settlement of the problem in one of the ways indicated above, namely: inducing action by China, - which events are proving China was in no position to take; - international co-operation; or a mandate to Japan with China's consent.

(9) Japan has mistakenly, it seems, elected to jump in on her own, without a mandate, without the presentation of her list of grievances, and is trying to settle things by direct military action.

(10)

- 4 -

(10) In this Japan put herself squarely in the wrong, and yet it seems clear that what Japan is doing is necessary, and, as above indicated, it could only have been done by force. So that, to put it tersely, Japan is doing the right thing in the wrong way; that is, without adequate sanction.

(11) The Japanese Army officials seem to have brought about a condition which is going to take a very long time to remedy, due to their unwise methods. They have intensified a feeling of hatred against Japan in the minds of thinking Chinese citizens everywhere which is going to prejudice their good relations for a longer time than one likes to think of; instead of arranging by negotiations for the disarmament and employment of the Chinese armies, they have broken up the Chinese headquarters, sequestered Chinese Government funds, and left the Chinese soldiers no alternative except to prey upon the people. And then, having forced these soldiers to become bandits, the Japanese Army is now, to use its own expression, engaged in "annihilating" them, i.e., killing them by means of aerial bombs, guns from the air, and shooting them up wherever met. The Japanese records give no roster of the dead Chinese and only report the number of Japanese killed; but it is probable that the proportion is something like twenty Chinese to every Japanese killed, more or less.

(12) The Japanese Army has failed to pay much attention to the Open-Door Policy. While foreign firms are nominally invited to operate in Manchuria, practically things are made difficult for them. Instances have come to light of obstacles put in the way of concerns whose business competes with that of Japanese and Japanese-owned ventures.

- 5 -

ventures. It is only fair, however, to state that many Japanese concerns are complaining of their treatment by their own Army.

(13) We are assured that this condition of partially closed door is incident merely to the Military Régime and will be wholly changed once public order is restored and civil administration established. Of that we wait to be convinced.

(14) Japanese officials have abstained from indicating the exact boundaries of what they consider Manchuria; and it is evident that they are keeping this indeterminate with the idea of extending these boundaries as fast as it suits their convenience and interests to do so. They will undoubtedly want to build railroads, establish industries, and encourage immigration of Chinese, and then will, in all probability, extend the boundaries of what they regard as Manchuria into Mongolia and perhaps into other parts of China, whenever it serves their purposes to do so. There are no definite and official maps that really set forth any authentic boundaries between Manchuria and the neighboring provinces on the west. Mongolia is similarly indeterminate as to the boundary. In recent years new administrative areas referred to as Jehol and Chahar have taken over parts of what previously was referred to as "Mongolia".

(15) Their military activities have made the Japanese position in Manchuria much more difficult. Unless they reach some sort of an agreement with China their position both as to cost and as to administrative problems may become untenable, as they cannot expect to govern the region indefinitely with an army.

(16)

- 6 -

(16) The crux of the whole matter seems to be that: If England, France and the United States do not want to see Japanese control penetrate further into China some diplomatic negotiation should <sup>be</sup> undertake to see if China will agree to the organization of an international police to restore order, disarm the predatory armies which now ravage the whole of China, and which would be strong enough to keep in power the more competent authorities so that the country would cease being subjected to internal revolution. International action might assist China to enjoy adequate police protection by a force modeled to some degree on the basis of the Chinese Customs service with an international personnel of office. Such a force would prevent the forcible seizure or misuse of Government funds and insure the construction and protection of useful public works. With settled conditions and assured measures of transport, work would be provided for men who otherwise would be in the Chinese armies. Famine areas could be quickly relieved. The creation and maintenance of this force should not present practical difficulties for men trained in constabulary work.

Respectfully yours

H. Cameron Forbes

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8/9/30



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

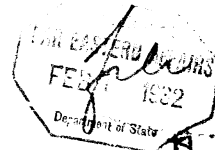
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FROM GRAY

Tokyo

Dated January 29, 1932

Rec'd 1:00 a. m.



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Secretary of State,

Washington

RECEIVED

JAN 30 1932

27, January 29, 11 a. m.

SECRETARY'S OFFICE

My letter of January 16th, 3731

I am forwarding despatch No. 470 superseding it.

FORBES

JS

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793.94/3732

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TELEGRAM RECEIVED

MET

GREEN

Paris

FROM

Dated January 30, 1932

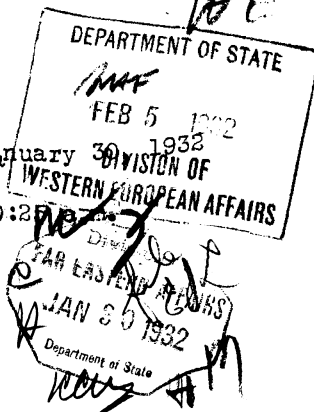
Rec'd 10:25

Secretary of State,

Washington

77, January 30, noon. (SECTION ONE)

French press is devoting a great deal of attention to the situation in China. I am forwarding by pouch full summaries of editorial comment. I have seen as yet no direct reference to the somewhat provocative telegram published in the LONDON TIMES of yesterday from its war correspondent dated January 28 in which he (presumably Wilmot Lewis) stated that "there is no attempt to conceal that there is significance in the fact that no American advance has been made to the French Government at this time notwithstanding that a French concession abuts on the International Settlement of Shanghai which is the focal point of the present trouble. Plainly the American Government is aware of a certain ambiguity in the present policy of France (\*\*\*) There is no lacking moreover an assumption in responsible circles that some form of understanding exists and has existed



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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MBT

2-#77 from Paris, January 30,  
noon (SECTION ONE)

existed for some years between the French and Japanese Governments of a sort which would make the association of France with the United States and Great Britain in any move independent of the League of Nations a source of confusion greater even than prevails today".

(END SECTION ONE)

EDGE

RR

REP

TELEGRAM RECEIVED <sup>GREEN</sup>

Paris

FROM

Dated January 30, 1932

Rec'd 10:30 a. m.

Secretary of State,  
Washington.

77, January 30, noon. (SECTION TWO).

Pertinax in this morning's ECHO DE PARIS after stating that the Japanese might not have been driven to such extreme measures as they find themselves compelled to take had it not been for the clumsy intervention of the League of Nations in the initial stages, concludes with the following "Nevertheless diplomatic procedures have been put into motion which will have no other effect than to inflame even more Chinese xenophobia. The unhappy Council of the League of Nations in receipt of another complaint from China is about to give in addition to the Disarmament Conference an exhibition of its futility. And the United States believe it an opportune time to abandon the passiveness and indifference which they have shown in regard to Manchuria since last September.

(END SECTION TWO).

EDGE

RR

MET

GREEN

TELEGRAM RECEIVED

Paris

FROM

Dated January 30, 1932

Rec'd 10:42 a.m.

Secretary of State,

Washington

77, January 30, noon. (Section Three)

The comic note is that they are endeavoring to push London forward after having refused all help in 1927 when England was obliged to send her troops into this same Shanghai just as much in American interests as in English interests. It is unnecessary to say that England will not enter the wasps nest. The only result of presumptive intervention will be to aggravate still more the vicissitudes of the Far East".

(END SECTION THREE, END MESSAGE)

EDGE

RR

1-45  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75



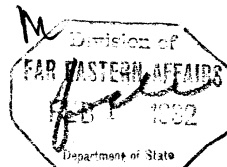
EMBASSY OF THE  
UNITED STATES OF AMERICA

Tokyo, Japan, January 16, 1932.

No. 461

JAN 30 32

793.94  
note  
697001



Copy in F2

FE  
F/L S 793.94/3734

FEB 9 1932  
FILED

The Honorable  
The Secretary of State,  
Washington.

Sir:

7 93.94/3530

Referring to my telegram No. 11 of January 16th, 2  
P. M., transmitting the reply of the Japanese Government to  
our note, I have the honor to enclose a copy of the English  
text given to me to-day.

Respectfully yours,

✓  
Enclosure:  
Copy of note,  
in translation.  
Embassy' File No. 800.-Manchuria  
ELN/AA

*H. Cameron Forbes*

C O P Y

Tokio, January 16th, 1932

Translation.

No. 2/AI

Monsieur l'Ambassadeur:

I have the honor to acknowledge the receipt of Your Excellency's Note dated the 8th January, which has had the most careful attention of this Government.

The Government of Japan were well aware that the Government of the United States could always be relied on to do everything in their power to support Japan's efforts to secure the full and complete fulfilment in every detail of the Treaties of Washington and the Kellogg Treaty for the Outlawry of War. They are glad to receive this additional assurance of the fact.

As regards the question which Your Excellency specifically mentions of the policy of the so-called "Open Door", the Japanese Government, as has so often been stated, regard that policy as a cardinal feature of the politics of the Far East, and only regret that its effectiveness is so seriously diminished by the unsettled conditions which prevail throughout China. In so far as they can secure it, the policy of the Open Door will always be maintained in Manchuria, as in China Proper.

They take note of the Statement of the Government of the United States that the latter cannot admit the legality of matters which might impair the treaty rights of the

United

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

- 2 -

United States or its citizens or which might be brought about by means contrary to the Treaty of 27 August, 1928. It might be the subject of an academic doubt, whether in a given case the impropriety of means necessarily and always avoids the ends secured, but as Japan has no intention of adopting improper means, that question does not practically arise.

It may be added that the Treaties which relate to China must necessarily be applied with due regard to the state of affairs from time to time prevailing in that country, and that the present unsettled and distracted state of China is not what was in the contemplation of the High Contracting Parties at the time of the Treaty of Washington. It was certainly not satisfactory then: but it did not display that disunion and those antagonisms which it does today. This cannot affect the binding character or the stipulations of Treaties: but it may in material respects modify their application, since they must necessarily be applied with reference to the state of facts as they exist.

My Government desire further to point out that any replacement which has occurred in the personnel of the administration of Manchuria has been the necessary act of the local population. Even in cases of hostile occupation- which this was not- it is customary for the local officials to remain in the exercise of their functions. In the present case they for the most part fled or resigned: it was their own behavior which was calculated to destroy the working of the apparatus of government.



- 3 -

government. The Japanese Government cannot think that the Chinese people, unlike all others, are destitute of the power of self-determination and of organizing themselves in order to secure civilized conditions when deserted by the existing officials.

While it need not be repeated that Japan entertains in Manchuria no territorial aims or ambitions, yet, as Your Excellency knows, the welfare and safety of Manchuria and its accessibility for general trade are matters of the deepest interest and of quite extraordinary importance to the Japanese people. That the American Government are always alive to the exigencies of Far Eastern questions has already been made evident on more than one occasion. At the present juncture, when the very existence of our national polity is involved, it is agreeable to be assured that the American Government are devoting in a friendly spirit such sedulous care to the correct appreciation of the situation.

I shall be obliged if Your Excellency will transmit this communication to your Government, and I avail myself of this occasion to renew to Your Excellency, Monsieur l'Ambassadeur, the assurance of my highest consideration.

Signed: Kenkichi Yoshizawa,  
Minister for Foreign Affairs.

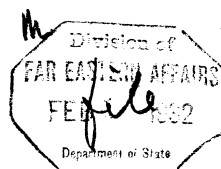
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75



EMBASSY OF THE  
UNITED STATES OF AMERICA  
Tokyo, January 14, 1932.

No. 456.

JAN 30 32



F/LS

793.94/3735

FILED

FEB 1 1932

The Honorable

The Secretary of State,  
Washington.

Sir:

I have the honor to refer to my telegram No.3, or  
January 8, 4 P.M. , in which I gave the purport of an  
1/. interview with the Prime Minister. I enclose a memorandum  
covering my conversation with him on that occasion and a  
conversation I had with the British Ambassador on the same  
day.

Respectfully yours,

*W. Cameron Forbes*

Copy to Peking.

Enclosure:

Memorandum of con-  
versation as stated.

Embassy's File No.-800/Manchuria.  
ELN/SR.

W. Cameron Forbes.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

Enclosure No. 1  
Despatch No. 456  
From American Embassy  
Tokyo.

MEMORANDUM OF CONVERSATION.

At 3 o'clock, January 7, we met to have a Movietone picture taken, in which Inukai was to make a little speech to the American public, Neville introducing me.

He made his speech, which Neville translated into English, we then shook hands, and then shook hands with his grand- daughter who was standing in the picture.

Before making the speech, he asked me if I would like to have a little chat with him, to which I replied that I would. The conversation was interpreted by Mr. Shiratori of the Foreign Office.

The first question I put to him was whether, now that his troops had occupied the whole of Manchuria, some device was going to be found (such as he had intimated to me in a previous interview might be expected) to find employment for the soldiers of the scattered Chinese armies, so that by turning in their arms they would have some method of obtaining a livelihood other than plundering, which seemed to me a much more economical thing to do than killing them off, and more likely to produce peaceful conditions at an early date. His reply was evasive, and was to the effect that with the restoration of order something of this sort might be possible, but there did not seem to be any agency there now ready to bring it about- no civil government. I asked if the Japanese could not create an agency. Could it be done by the Military or by the defense committees?

But

-2-

But to this I got no satisfactory reply; whether it was by reason of imperfect interpretation or by reason of the fact that he could not answer definitely as the control rested now with the Military which was entirely out of his hands, he representing only the civil power, I do not know.

I asked him what they were doing about this occupied area in the vicinity of Chinchow and whether or not troops were being withdrawn to the Railroad Zone; to which he replied that a considerable portion of the troops had already been withdrawn and they were now proposing to maintain order and scatter any forces of bandits that might be left in that vicinity. I then told him that I had recently read- in fact that morning- a statement purporting to come from General Minami in which he indicated that Japan was proposing to extend its control over Manchuria and Mongolia. I said Mongolia was a very large order, in area perhaps equal to Manchuria, and I asked him if Japan was extending its pretensions now to double the territory which they had previously claimed as necessary for their protection. To this he replied there had been no extension whatever, that the Japanese when they spoke of Manchuria always spoke of Manchuria and Mongolia, by which they meant Inner Mongolia; and while in English it was called Manchuria only in Japanese they always spoke of Manchuria and Mongolia but did not mean the whole or any part of Outer Mongolia, and the greater part of the latter was under Russian influence. I told him I knew about that and that that part which was under Russian influence was served by Russian  
railroads

-3-

railroads on the north, but that I understood there had been recent very material extensions in western Manchuria to take in parts of Mongolia previously controlled by certain princes with whom Chang Hsueh-liang had made treaties looking to the extension of his control to the west. I asked him what the limit of territory which Japan claims as part of Manchuria was to be: whether it included these recent boundaries, extended by these treaties with the Mongolian princes. I asked him if he could explain the whole matter on a map and whether Japan would want to include in it all that territory which Chang Hsueh-liang, the young Marshal, had brought into his administrative limits. I then indicated I would like very much to see a map with a definite boundary on it, so I would know exactly what the Japanese Government claimed was Manchuria and where they proposed to exercise control. At this point he laughed and indicated that that would be a very difficult thing to provide; which I took to mean they did not propose to have any limit placed, - which would leave them fairly free to make limits as they went along, or extend them from time to time if they found it advantageous to do so.

In fact the whole thing gave me the very uncomfortable feeling that they proposed to exercise control over an indeterminate area of China which could be extended at their will.

The Prime Minister also referred to a Rengo news despatch to the effect that the Nanking authorities had requested Chang Hsueh-liang not to employ bandits or to allow bandits to associate with his regular soldiers as such

-4-

such action was derogatory to the good name of the Chinese Government. I asked Mr. Inukai if there was any confirmation of this story and Mr. Inukai said that he had no official information on the subject. If, however, it proved true it would bear out the contention of the Japanese military that Chang Hsueh-liang had employed bandits and subsidized them.

I asked Mr. Kishi of the Foreign Office for a report on whether or not troops had been withdrawn from Tsitsihar. He said there had been no change whatever in the program and that he was not acquainted with the exact number of troops in that vicinity but would ascertain and report to me. I told him I wanted this information because it was very likely I would be asked for it at any time.

Talking later with the British Ambassador, he said that from what he could gather, Japan had no intention of crossing the Great Wall. But Inner Mongolia includes the Province of Jehol, which is across the mountains of Manchuria Proper, and if Japan intends to extend control over there it means entrance into a part of China hitherto not regarded as Manchuria.

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

Prepared in accordance with the  
 Legation's circular telegram of  
 November 25 11 a.m.

JAN 30 32

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F/LS

793.94/3736

Required Report

on

Anti-Japanese Boycott

788-6-31-1932

DEPARTMENT OF STATE

Office of Economic Affairs  
 FEB 6 1932  
 DEPARTMENT OF STATE

FEB 14 1932

FILED

From

Edward T. Wailes  
 Edward T. Wailes,  
 American Vice Consul.

Completed: December 31, 1931.

NANKING, CHINA.

Mailed: January 4, 1932.

Approved

Willys R. Peck  
 Willys R. Peck,  
 American Consul General.

As a result of the intense anti-Japanese feeling created by the "Wanpaoshan Incident" and the "Korean Massacres" of July 1931, anti-Japanese associations were immediately formed in Nanking and in the other important trade centers of this Consular District for the two fold purpose of boycotting the sale of goods of Japanese origin and persuading the people that it was unpatriotic to buy such goods.

At the outset, these associations were composed mainly of merchants connected with the various Chambers of Commerce. As time went on and anti-Japanese feeling increased as a result of the course of events in Manchuria, student bodies and other patriotic organs joined with the merchants in creating organizations of such size and power that virtually no Japanese goods have been sold in the important trade centers of this Consular District since the middle of September. It is understood however, that in many of the small rural market towns of this district Japanese goods are being openly sold by merchants at an increase in the normal price as it is realized that it will be impossible to replenish their stocks on hand.

The effectiveness of the boycott in the trade centers has been largely due to the organization of "Japanese Goods Examination Bureaus" which carry on through a corps of voluntary inspectors a systematic search of all retail and wholesale shops. Japanese merchandise which is found is immediately sealed, the

amount




-2-

amount recorded, and the owner enjoined with threats of severe punishment against selling the goods. It is reported that, during the month of October, at least four cases occurred in which recalcitrant merchants were placed on public view in wooden cages bearing appropriate descriptions of their crimes. During November and December, 1931, it is understood that the practice of imposing fines and punishment on the so-called "traitor merchants" was not carried on openly in the larger ports for fear that it would serve as an excuse for Japan to prolong her occupation of Manchuria.

The principal articles of import into Nanking from Japan are cotton piece goods and coal. The following statistics obtained from the Chinese Customs Administration show a decided decline in Japanese trade during the first three quarters of 1931 due largely to the effects of the Japanese boycott during part of July and all of August and September 1931. Figures for the fourth quarter of 1931 are not available at the time of writing, but it is understood that the imports from Japan for this quarter will be listed as nil when the statistics are published.

<u>Cotton Piece Goods</u>	<u>1930 1st 3 quarters</u>	<u>4th quarter</u>	<u>1931 1st 3 quarters</u>	<u>4th quarter</u>
Total Imports	127,190 pieces	179,473 pieces	22,890 pieces	--
Imports from Japan	21,423 pieces	18,126 pieces	7,766 pieces	--
				<u>Coal</u>



-3-

<u>Coal</u>	<u>1930</u> <u>1st 3</u> <u>quarters</u>	<u>4th</u> <u>quarter</u>	<u>1931</u> <u>1st 3</u> <u>quarters</u>	<u>4th</u> <u>quarter</u>
Total Imports	72,874 tons.	34,528 tons.	87,588 tons.	--
Imports from Japan	40,282 tons.	18,066 tons.	32,689 tons.	--

Prior to the instigation of the Japanese boycott, a considerable amount of the shipping on the lower Yangtse River was carried on by Japanese firms. One company, the Nippon Kissen Kaisha, maintained a daily service between Shanghai, Nanking, and Hankow. At the present time but four Japanese boats are operating on the River and it is understood that they are carrying only supplies for the Japanese Naval forces in these waters.

The general opinion of local merchants and the business community seems to be that the Japanese boycott will continue in force until a settlement is reached in the present Sino-Japanese controversy.

As instructed in the Legation's circular telegram of November 25, 11 a.m., this Consulate General will submit periodic reports on the situation to the Department with copies to the Legation.

148  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

Prepared in accordance with the  
Legation's circular telegram of  
November 25 11 a.m.

Required Report

on

Anti-Japanese Boycott

From

Edward T. Wailes,  
American Vice Consul.

HANKING, CHINA.

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Mailed: January 4, 1932.

Approved

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-2-

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The principal articles of import into Hanking from Japan are cotton piece goods and coal. The following statistics obtained from the Chinese Customs Administration show a decided decline in Japanese trade during the first three quarters of 1931 due largely to the effects of the Japanese boycott during part of July and all of August and September 1931. Figures for the fourth quarter of 1931 are not available at the time of writing, but it is understood that the imports from Japan for this quarter will be listed as nil when the statistics are published.

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Coal

-3-

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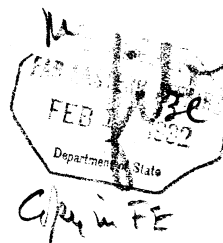
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EMBASSY OF THE  
UNITED STATES OF AMERICA  
Tokyo, January 11, 1932.

No. 449.

JAN 30 32



F/LS 793.94/3737

The Honorable

The Secretary of State,  
Washington.

Sir:

I have the honor to refer to the Department's  
telegram No. 7, January 7, 12 Noon in which I was  
directed to deliver a note textually to the Japanese  
Government. Owing to the confusion following the  
attempt on the Emperor's life, I was unable to see  
anyone in authority until the afternoon of January 8,  
when the Vice Minister for Foreign Affairs received  
me.

Upon

FEB 9 1932

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-2-

Upon reading the note he asked a question in regard to the grammatical construction of one sentence, as I telegraphed in my No. 4, January 8, 5 P.M., He stated that he desired it solely for precision in translating. Upon receipt of the Department's telegram No. 9, of January 9, 5 P.M., I directed the Counselor to communicate with Mr. Nagai. A copy of his letter is enclosed. I took this course, as I felt that more formal communication might give an importance to the phrase that was not warranted.

Respectfully yours,

*W. Cameron Forbes*

W. Cameron Forbes.

✓  
Enclosure:

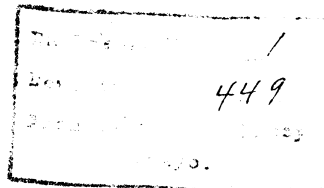
Copy of letter to Mr. Nagai.

Embassy's File No.- 800. Manchuria.

ELN/SR



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75



C O P Y .

Tokyo, January 11, 1932.

My dear Mr. Nagai:

Referring to our telephone conversation and to your interview with the Ambassador regarding the grammatical construction of the note which the Ambassador had the honor to give over on Friday afternoon, I beg to state that the Embassy has received information that the word "those" in question refers to treaty rights. I trust that with this explanation the work of translation of which you spoke will be facilitated.

I should add that the Department of State feels that it would not serve any useful purpose to concentrate attention upon a relatively unimportant detail of phraseology. The terms of the note should be considered as a whole.

I am, my dear Mr. Nagai,

Sincerely yours,

Edwin L. Neville,  
Counselor of Embassy.

His Excellency

M. Nagai,

Vice Minister for Foreign Affairs.



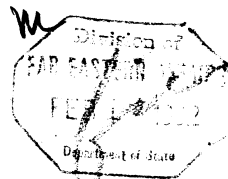
EMBASSY OF THE  
UNITED STATES OF AMERICA

Tokyo, Japan, January 15, 1932.

No. 457

JAN 30 1932

793.94



Copy in FE

F/LS 793.94/3739

FEB 9 1932

FILED

The Honorable

The Secretary of State,  
Washington.

Sir:

I have the honor to report that the recent note of the Secretary stating American policy in respect to Manchuria (Department's telegram No. 7/3427a of January 8th) was on the whole not as well received in Japan as preceding communications in this regard. This was chiefly due to difficulties of translation. Had the note not been made public before a translation was prepared by the

Foreign

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

- 2 -

Foreign Office for delivery to the vernacular press, the Japanese public would have had a clearer understanding of its purport. Had the translation by the Foreign Office been published first, I feel confident the tone of several editorials would have shown more understanding, for the translation by the Foreign Office was clearer in meaning than the translations of press reports from Washington.

The most unfortunate error was that of translation by the representatives in Japan of the United Press. The clause "which may impair treaty rights of the United States or its citizens in China" was rendered by them as a modifier only of the words "treaty or agreement" and not of the words "situation de facto" as well. This apparently led many Japanese to believe that the Government of the United States "cannot admit the legality of any situation de facto" which may exist at the present time.

The note in English consists of one short sentence and one exceptionally long sentence. The latter sentence includes several clauses introduced by relative pronouns. In the Japanese language, however, there are no relative pronouns, their place being taken by adjectival clauses which must precede the word modified. The result was that in translation the lucidity of the original could not be attained.

This vagueness in translation was responsible for a feeling in certain quarters here that the United States was interfering unreasonably. The feeling was perhaps strengthened by the fact that before the receipt of the note the press gave prominence to reports that the Secretary was attempting to persuade the Ambassadors of Great Britain and France at Washington to have their Governments

- 3 -

Governments address notes of a similar tenor to the Japanese Government at the same time. When notes from those two powers were not received, a certain section of the public apparently believed that there might exist some discord among the three Powers in respect to Manchurian policy.

- Uncertainty as to the exact significance of the note was reflected in several press editorials. The Tokyo
- 1/. JIJ1, one of the most reputable newspapers, was "astonished to see the Government of the United States address to the Japanese Government at this time a note expressing its ideas as a sort of protest, in which it is stated that the Government of the United States does not recognize any legality whatever in the actual conditions now existing in Manchuria". Later, in the same editorial, the paper came to the conclusion that the note "was simply served on Japan under the Nine-Power Treaty and the Kellogg
  - 2/. Peace Pact". The Tokyo NICH1 NICH1 claimed it could not grasp the real significance of the American note. The writer apparently believed that the first sentence of the note, which states that "administrative authority . . . in South Manchuria as it existed prior to September 19, 1931, has been destroyed" is the vital part of the note and devotes its very long editorial to an attempt to prove that the recent government in Manchuria was not destroyed by the Japanese military but collapsed through
  - 3/. weakness. The Tokyo CHUGAI SHOGYO stated editorially this morning that "the American Government is still under a spell of misunderstanding regarding Japan's movements in Manchuria" - or perhaps, rather than "misunderstanding",  
"biased

- 4 -

"biased interpretation". The paper later said; "If the United States wishes to treat such an abnormal situation as existed at the time (before September 18th) as normal by using such terms as legality or illegality, it will rather lead to some misunderstanding."

4/. The Tokyo HOCHI and the Osaka ASAHI give evidence  
5/. of understanding thoroughly the reason for the despatch of the American note, the latter paper especially. The Osaka ASAHI, recalling America's note at the time of the so-called twenty-one demands, viewed the recent note as proof of the historic consistency of American Far Eastern policy. "It is nothing but the support of the two great principles of the Open Door and equal opportunity in China, as well as respect of her territorial and administrative integrity." This paper did not expect joint action on the part of Great Britain and France. It concludes with the statement: "Those who merely indulge in making rash statements and criticize the American attitude without taking the trouble to examine closely the facts of the situation, are worthy of blame for their utter disregard of what may be called the diplomacy of nations."

6/. On the second and third days after the Tokyo NICHU NICHU had published its above-mentioned editorial, it published in two parts an article on the subject by Dr. Hikomatsu Kamikawa, a professor of the Law College of the Tokyo Imperial University. This article attempts to prove that action in Manchuria by the Japanese since September 18th has not been inconsistent with the provisions of the Nine-Power Treaty and the Kellogg Peace Pact. Near the conclusion the writer points out that the United States made reservations respecting the Monroe Doctrine at the time of the Kellogg Peace Pact and Great Britain certain  
reservations


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reservations relating to areas in which it has special rights and interests. The writer then arrives at the opinion that Japan's relation to Manchuria is similar and that Japan can make similar reservations with regard to Manchuria, "though Japanese did not insist on her Monroe Doctrine when concluding the Kellogg Peace Pact". The writer goes on to say: "For this reason American interference in the Manchurian question from the standpoint of the Kellogg Peace Pact must be said to be unfriendly from the viewpoint of international law and Japan should take a strong stand against such action by the American Government or by any other government."

Translations of the editorials and the article mentioned are enclosed.

As of possible interest from the standpoint of publicity, 7/. there is enclosed a news article from the Tokyo ASAHI purporting to be a statement given to the press by officials of the Foreign Office, commenting on the American note. It consists of a re-statement of Japan's self-defense" attitude and her aims in Manchuria, which are declared to be solely for the establishment of peace and order.

Respectfully yours,

  
W. Cameron Forbes

Copy to Peking.

Enclosures:

- 1 - Translation of an editorial  
from the Tokyo JIJI of January 9, 1932.
- 2 - Translation of an editorial from the  
Tokyo NICHI NICHI of January 9, 1932.
- 3 - Translation of an editorial from the  
Tokyo CHUGAI SHOGYO of January 14, 1932.
- 4 - Translation of editorial from the  
Tokyo HOCHI of January 9, 1932.

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- 5 - Translation of an editorial in the  
Osaka ASAHI of January 12, 1932.
- 6 - Translation of an editorial in the  
Tokyo NICHU NICHU of January 13 and 15, 1932.
- 7 - Translation of press statement of Foreign  
Office Spokesman from the Tokyo ASAHI of  
January 9, 1932.

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From: [illegible] Embassy
[illegible]

Translation.

ANOTHER WARNING FROM THE UNITED STATES GOVERNMENT

(Tokyo JIJI of January 9, 1932.)

Regarding the note presented by the United States Government through its diplomatic representative in Tokyo to the Japanese Government on January 8, we are persuaded to think that the identic note was addressed to the Governments of Japan and China as a sort of protest. It is hardly necessary for us to point out that the United States Government's real intention in serving the note upon Japan and China is absolutely directed against Japan.

With the outbreak of the Manchurian incident, Japan alone is the greatest sufferer. At the same time, Japan has made a heavy sacrifice. The military operations of Japan in Manchuria in enduring innumerable sacrifices and sufferings are in no way contradictory to the provisions of the Nine-Power Treaty nor do such operations impair the rights and interests of other Powers and their nationals in Manchuria. The Japanese people are confident that the above operations do not run counter to the provisions and obligations of the War Outlawry Treaty. Japan has never before ignored the provisions and spirit of various international treaties and she is always exercising the utmost caution in faithfully observing these treaties. We are, therefore, quite astonished to see that the United States Government addresses to the Japanese Government at this time a note



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note expressing its ideas as a sort of protest, in which it is stated that the United States Government does not recognize any legality whatever in the actual conditions now existing in Manchuria. We are at a loss to understand the United States Government's true intention in serving the note upon Japan.

Now that the note was addressed to Japan under the Nine-Power Treaty and the War Outlawry Pact, we want to know what condition in Manchuria has impaired and will impair the rights and interests of the United States and its nationals in that region and what condition or affair has infringed and will infringe the provisions of the War Outlawry Treaty. We are inclined to think, now that Chinchow has been temporarily occupied by the Japanese army, that the United States Government entertains some doubt as to relations between Japan and a new Chinese administrative authority about to be established in Manchuria in place of the Chinchow authorities. It appears that the United States Government also entertains some apprehension lest a new treaty or convention be established between Japan and the new Chinese authority. We trust that such doubt will disappear when actual conditions in Manchuria are made known in the future. A reply by the Japanese Government to the above American note will, if made, satisfy the United States Government and there will be no necessity to conduct a series of negotiations. We are under the impression that the above note was simply served on Japan under the Nine-Power Treaty and the War Outlawry Treaty and nothing else. Consequently, we hope that Japan will refrain from assuming any hostile attitude toward the United States Government.

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Translation.

AMERICA'S NOTE TO JAPAN AND CHINA

(Tokyo NICHU NICHU of January 9, 1932.)

We regret to say that we cannot make out the real significance of the American note respecting the Manchurian issue, which, curiously enough, was presented to the Japanese and Chinese Governments as an identic note. In the beginning, the note says that, in consequence of the recent military action in Chinchow and its neighborhood, the administration of the Chinese Republic or the last remaining Chinese administration in Manchuria as it existed prior to September 18, 1931, has been destroyed. That the paragraph just quoted, which, though apparently a mere description of fact, from the pretext of the argument that follows, is worth while studying.

The American note says that the administration in Manchuria has been destroyed. By whom has it been destroyed? The American note does not answer this explicitly. The fact is that nobody has ever attempted to destroy the administration in Manchuria. There may or may not be some who, recalling the activities of the Japanese army in Manchuria since September 18th, are inclined to attribute the present status to the action of the Japanese army. But nothing is more absurd than such an illusion. The activities of the Japanese army were, as a matter of fact, directed towards the sweeping away of the outrageous Chinese troops and brigands who dared to injure Japan's rights and interests and threatened or attempted to threaten the lives and property of Japanese subjects in Manchuria.

Japanese

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Japanese troops carried out their rightful mission in that direction and the Japanese army has never interfered with the existence of the Chinese administration in Manchuria, either materially or spiritually. Nay, with a view to expediting the adjustment of the state of affairs in Manchuria the Japanese Government emphatically advocated the necessity of opening direct negotiations with the Chinese Government to effect a smooth settlement. Even now the Japanese Government continues to advocate the necessity of such measures and is ready to act accordingly, but the Chinese Government has somehow avoided entering into negotiations with Japan. Be that as it may, even supposing that the administrative power of the Chinese Government was ever in operation in Manchuria it was, in reality, nothing but the administrative influence of Chang Hsueh-liang, who, because of his having joined the Kuomintang party and exchanged his banner for that of the Nanking government, has been given a mere nominal rank and office and only on that account may be considered as representing the Nanking Government. Except for that, he has had no actual political or administrative right in Manchuria.

Taking for granted that Chang Hsueh-liang is or was the actual chief administrator of Manchuria and his administration an extension of the control of the Chinese Government in Nanking, nobody has ever destroyed his administration in Manchuria. Chang, abandoning his post and responsibility, ran away to the west of his own will, and, with no intention to return to his post notwithstanding the outbreak of a very grave affair in Mukden, indulged in instigating the troops under him and brigands under his influence to commit a series of outrageous actions. Thus he heaped blunder upon blunder until he made his position more and more

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more disadvantageous, without making the least effort to make use of his right of administrative power, so that those who had exercised local administrative power under him before quitted him and became dismembered, till administrative power in Manchuria has eventually ceased to exist.

In the case of Chinchow, Chang Hsueh-liang established a government there and this government existed temporarily as a remnant of the Chang administration. But then, Japan had no hand in accelerating the destruction, nay, disappearance of the Chinchow administration. The Japanese army did nothing beyond demanding the withdrawal of Chinese troops from Chinchow and its neighborhood, and the reason for demanding their withdrawal was the same as that for the expedition against the Chinese troops and bandits in Northern Manchuria.

Thus viewed, it will be seen that the remaining administration in Manchuria has disappeared of its own accord due to the absence of the head administrator and the dismemberment and extinction of the organs for the operation of administrative power. Japan did nothing except to send a thorough expedition against the soldier-brigands (led by Chang Hsueh-liang) who had destroyed Japan's rights and interests in Manchuria. That was all Japan did in Manchuria for Japan's self-defence. And, in consequence thereof, nearly all regular troops under Chang have dispersed and his former subordinate officials, reflecting on the cruel maladministration of the past, have left him, and this culminated in the spontaneous dissolution and extinction of the former administration. Yet Japan cannot be held responsible for the spontaneous destruction of  
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the Chinese administration in Manchuria. Not only that, but we must question whether the Chinese Republican government, which is the main control body of the administration in Manchuria, had ever taken any measure for the maintenance and preservation of the Manchurian administration. What the Nanking government has done so far is only this: It had once approached the League of Nations with its demand for the withdrawal of the Japanese army despatched on a mission of self-defence. The League of Nations clearly and explicitly admitted and recognized Japan's military action in Manchuria including Chinchow, without doubt for the purpose of self-defence. Nor at the repeated sessions of the League's Council did any Chinese delegate complain about Japan's menacing or destroying the Chinese administration in Manchuria, nor did any other country make any such criticism of Japan. Thus, the Chinese administration in Manchuria, no matter whether it belonged to the Republic of China or to Chang Hsueh-liang, has been destroyed by nobody, but it has collapsed by itself only because of its weak, frail foundation, at the most important moment.

America's note shows a grave error in its pretext and it is but natural that its remaining parts are quite illogical. Still a thorough perusal of the note gives us the impression that the American Government is gravely concerned about the assurance of America's stand in future in Manchuria relative to the possible relations between Japan and the new Manchurian administration. If that be the case we assure the United States that neither America nor any other third power need entertain the least concern about the matter.

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Enclosure No. 3.  
Despatch No. 457.  
From Embassy

Translation.

MISINTERPRETATION OR PERVERSION?

(Tokyo CHUGAI SHOGYO of January 14, 1932.)

From the recent American note it appears that the American Government is still under the spell of misunderstanding Japan's move in Manchuria. We are induced to believe that if the American Government has listened with a fair mind to what Japan has repeatedly declared to the nations at large as to her attitude it must have already cleared all doubts and perfectly understood the true aspect of the situation. In our opinion there can be no doubt of Japan's true intention and purpose, but supposing that America fails rightly to interpret Japan's move notwithstanding Japan's repeated declarations and explanations we cannot but surmise that it must be something beyond misunderstanding on the part of America, - that is, purposely biased interpretation, in which case it is absolutely impossible to make America rightly interpret and realize Japan's true intention at all, though we have not the remotest idea that such is America's attitude.

As to the true intent and purpose of Japan vis-a-vis Manchuria, particularly the significance of the recent military action in Manchuria, including Chinchow, we believe it has been clearly and perfectly understood by all nations of the world and there is scarcely any need of our again referring to it. It suffices only to say that the military actions taken by Japan were an absolute necessity for the safeguarding of Japan's previously acquired rights

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and interests, for the maintenance of peace and order in the region, and for the safety of the lives and property of Japanese subjects residing there. When reflecting on the actual conditions that obtained in Manchuria, which indicated imminent danger to the lives and property of Japanese residents and the safety of the Japanese army, it allowed no further consideration than resort to an immediate drastic military action for clearing away the source of menace. It was not the time to deliberate on the legality of the illegality of the measure taken. If America wants to treat such an abnormal situation, as existed at the time, as normality by using such terms as legality or illegality, we think it will rather lead to some misunderstanding.

The object of Japan's military action is as stated. And when that object has been accomplished what will be the next thing to be done? Though nothing definite can be said at present, this much we can venture to say: in the event of perfect peace and order being established in Manchuria Japan will take steps not only to establish but to carry into practice the principle of the open door and equal opportunity and make Manchuria the so-called paradise where the natives and all alien nationals can enjoy a truly peaceful and safe existence.

It is a matter of great regret that the American Government still entertains doubts about or misunderstands Japan's true motives, and while it is necessary to Japan to make efforts for sweeping away any and all misunderstandings Japan must at the same time push on according to its previously determined principle resolutely and independently irrespective of any prejudiced misconception. If arrested

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by fear and apprehension of misunderstanding abroad no national policy can be carried out. It is Japan's duty to stand for the maintenance of perfect peace and order in Manchuria until a new adequate administration or a new state is formed. Whatever misunderstanding may crop up it is not Japan's responsibility. What will come next does concern Japan very much; it is to be left entirely to the choice of the inhabitants of Manchuria. Japan should not interfere in such a matter and the proper way for Japan to do is to respect the spirit of the people's self-decision.

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Enclosure No. 4.

457.

Embassy

Translation.

AMERICA'S MOST RECENT NOTE

(Tokyo HOCHI of January 9, 1932.)

Now that Japan's military operations in Manchuria have come to an end with the sweeping out of the Chinese outlaws from their base about Chinchow, the matter of imperative necessity that claims the attention of the Japanese Government is the establishment of a new policy toward Manchuria, which must of necessity be based on the fundamental principle of mutual benefit, aiming at the co-existence, and co-prosperity of Japan and Manchuria, and next that of respect of China's territorial integrity and maintenance of the open door and equal opportunity. These two fundamental principles must be faithfully observed and closely followed to the letter in framing the new policy of Japan toward Manchuria setting at naught as far as possible such selfish principle as consideration of Japan's own interests. Just at this moment, the Washington administration, inviting the British, French, and Italian Governments, has come forth with the presentation of a note to Japan, assuming an attitude intended to restrain and deny the action which the Japanese Government is going to take in Manchuria. Such an attitude is, however, nothing but an outcome of its uncalled for apprehension as to the nature of the possible agreement to be concluded between Japan and the new Manchurian administration. But if what Japan wants to demand of the new administration in Manchuria aims at nothing but the

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the maintenance and preservation of the existing treaty relations between Japan and China or the fulfilment of international obligations on China's part and is not contradictory to the principle of respect for China's territorial integrity and the open door of Manchuria the Japanese Government has no need to worry about the matter whether outside powers agree to Japan's new policy or not. In fine, the Government should be frank, open-minded, fair and circumspect in framing its new Manchurian policy, which must be based on the aforementioned fundamental principles, to which no other power will raise any objection whatever.

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Enclosure No. 5.  
Despatch No. 457.  
From American Embassy  
Tokyo.

Translation.

THE OPEN DOOR AND ADMINISTRATIVE INTEGRITY

(Osaka ASAHI of January 12, 1932.)

The Secretary of State, Mr. Stimson, in the recent identic note to Japan and China, has stated that the United States cannot recognize any treaty to be concluded between Japan and China which will be contrary to the spirit of the Nine-Power Treaty or the Kellogg Non-War Pact. This identic note is of the same purport as that served to Japan and China by the American Government on the occasion of the so-called Twenty-One Demands presented by Japan to China in 1915 and this fact proves the historic consistency of America's Far Eastern policy. It is nothing but the support of the two great principles of the open door and equal opportunity in China as well as the respect of her territorial and administrative integrity, and it is the diplomatic usage of America to make a protest at any time when the American administration considers that these two great principles have been violated.

Some may suppose that the failure of Britain and France and other Powers to take joint action with America disappointed the Washington Government, but we think the American Government had never expected such joint action by these Powers from the beginning.

On more than one occasion during the past century and a half American Far Eastern policy has made it difficult for America to take a joint action with other Powers. The open door and equal opportunity in the Far Eastern nations  
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and the integrity of their territories and independence have been and are the nucleus of the Far Eastern policy of America. About one hundred years ago America approached Japan with this policy, insisting on the Open Door of Japan and the integrity of her sovereignty, and by restraining the ambitious designs of Russia enabled her to join the ranks of the Powers. This is the reason why the Japanese nation feels grateful to America as her benefactor.

When the revolutionary government was formed in China and the country was about to be brought into perfect unity, the American Government approached China with the same policy as it has recently approached Japan, insisting on the open door and territorial integrity. The Far Eastern policies of the other Powers quite agree with that of America as well as the principle of the open door and equal opportunity, but in respect of the territorial and administrative integrity they do not agree with American policies because they want to restrict China's territorial and administrative rights to some extent. This accounts for the failure of the Powers to take joint action with America in connection with the American protest to Japan's Twenty-One Demands of 1915, and there is no wonder that, perhaps reflecting on this precedent, the Powers have not followed the example of America in her recent action.

Regarding the American protest to the Twenty-One Demands, the Japanese Government had fully explained to America that the Japanese action did not violate the principle of the Open door and equal opportunity, et cetera, that form the basis of America's Far Eastern policy and America has fully understood it. The state of things in China at that time, however, differed greatly from those of

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the present. Despite all the assistance from America and Japan, China has failed to establish an administrative policy adequate to control her entire territory, and because her administrative right does not extend to Manchuria and Mongolia the rights and interests of the Powers in that region are very often endangered so that China's inability to maintain peace and order has been unquestionably demonstrated and this is what America has perfectly understood. Thus it will be seen that the action taken by Japan in Manchuria has been intended as a remedy for this defect in China's administrative system, and not to impair China's administrative integrity. But, in cases when the open door and equal opportunity, insisted on by America, and administrative integrity do not coincide, the question is, to which should the greater importance be attached. Supposing America refuses to recognize Japan's action in sweeping away the bandit-soldiers for the preservation of peace and order on the grounds of the preservation of China's administrative rights, notwithstanding that China's inability has been proved, it will necessarily result in endangering the rights and interests of the Powers, and consequently it will be inconsistent with the principle of equal opportunity so strongly advocated by America.

So far, the Japanese Government has sent no reply to the American note. We are inclined to believe that the Government will take steps to qualify the Japanese policy in the same way as it did at the time of the Twenty-One Demands, and at the same time to emphasize that the action of the Japanese army does not contradict the American principle of the open door and equal opportunity and territorial and administrative integrity. It is, of course,  
not

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not known whether the American Government will be satisfied with such an explanation, but since the American note apparently attaches more importance to the future development of the situation, we surmise that America will not take any further action as long as Japan guarantees the open door, equal opportunity, and China's sovereignty and territorial integrity, unless some new situation betraying that guarantee arises. The diplomatic action taken by America in the present case implies no anti-Japanese motive underlying it, but it is the natural outcome of its traditional Far Eastern diplomatic policy that has remained unchanged for the past 170 years. The only step Japan should take at the present moment is clearly and frankly to explain that the American Far Eastern policy and Japan's China policy shall never clash and that will suffice for Japan. Those who merely indulge in making rash statements and criticize the American attitude without taking the trouble to examine closely the facts of the situation, are worthy of blame for their utter disregard of what might be called the diplomacy of nations.

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Enclosure No. 6  
Despatch No. 457.  
From American Embassy  
Tokyo.

Translation.

AMERICA'S NOTE AND JAPAN'S STANDPOINT

(By Dr. Hikomatsu Kamikawa, Professor of  
International Law at Tokyo Imperial University.)

(Tokyo NICHU NICHU of January 13 and  
15, 1932.)

A perusal of the recent identic note presented by the American Government to the Japanese Government impresses the present writer with the belief that the American Government holds the opinion that the actions taken by Japan in Manchuria up to date are quite inconsistent with the provisions of the Nine-Power Treaty and the Kellogg Non-War Pact. But the Japanese Government cannot quite concur with such an interpretation of the American Government, the reasons for which have been clearly set forth in repeated statements of the Japanese Government, and it is needless to point out that, from the standpoint of international law and the interpretation of the two treaties, Japan's actions were not contradictory to any of the stipulations of those treaties.

Of the Articles in the Nine-Power Treaty, those which pertain to the Manchurian Affair are Articles 1, 2, 3, 4, and 7. Article 1 is based on the four fundamental principles of the so-called Root Agreement, and in Clause 1 of Article 1, the contracting Powers, excepting China, pledge themselves to respect China's sovereignty, independence and territorial and administrative integrity. The recent American note also refers to that point and apparently the American Government attaches great importance to

whether

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whether the action to be taken by Japan in Manchuria hereafter will affect that pledge, but we need not emphasize that Japan's action will not run counter to that pledge. The recent action taken by Japan in Manchuria was nothing but the operation of her self-defence measures aimed at insuring the safety of the lives and property of Japanese subjects in Manchuria and the safety of Japanese troops, as well as Japan's previously acquired prestige in that region, and does not infringe on China's sovereignty, independence, and territorial integrity. By territorial integrity we mean the perpetuity of China territorial or administrative sovereignty and not mere preservation of her territorial and administrative rights. That Japan has no intention whatever of invading or occupying Manchuria territorially or administratively has been made clear to the nations by the statements repeatedly issued by the Japanese Government. No less has Japan any intention of prejudicing China's sovereignty and independence in Manchuria. It is not impossible that, according to the development of the situation in Manchuria, some new administration may arise and take control of the region in the place of the former military administration headed by Chang Hsueh-liang, but Japan has no concern in or responsibility for such an outcome, except as the result of the exercise of the right of self-defence some change may naturally occur in the political situation of Manchuria. However, this would be nothing but civil strife or the breaking up of China herself, in no way affecting Japan's relations with China. As regards what attitude Japan should



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should take towards the new administration which may arise hereafter, it should be left to the choice of Japan and should not be dictated by any other Power, just as the American Government has freedom to make its choice of attitude towards this same new administration.

Articles 3 and 4 are based on the Hughes Resolution and in the provisions thereof the contracting parties pledge that in future they shall not acquire any sphere of influence or interest in any part of China or acquire any monopolistic or preferential rights in China in order to make further effective the principles of the open door and equal opportunity in China. These articles, as is clear from the proceedings of the Washington Conference, aim at the furtherance of the principles of the open door and equal opportunity in Manchuria, but, on the contrary, it endorses and supports those principles which Japan strongly advocates.

Again, in Article 7, the contracting parties pledge themselves to make open and frank negotiations one with another at any time when the provisions of the Treaty shall be invoked. Consequently, there is no doubt that the American Government can call a meeting of the Nine Powers Conference regarding Manchuria and the provisions of the Treaty, but it is not yet clear whether the American Government has such an intention. Thus, it is quite clear that Japan's action taken in connection with the Manchurian Affair has in no way violated the provisions of the Nine-Power Treaty.

Let me in the next place survey the relations between the Manchurian Affair and the Kellogg Non-War Pact. It is still fresh in our memory that some time ago the American Government and the Governments of the Powers who are members  
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of the League of Nations Council sent a warning to Japan and China in connection with the Manchurian Affair. To this warning of the Powers the Japanese Government made a reply, pointing out that Japan's action in Manchuria was by no means inconsistent with the non-war pact. This interpretation by the Japanese Government remains unchanged even at present. In that note of the Powers they quoted Article 2 of the Non-War Pact, but it is quite patent that Japan's action was contradictory in no way to either Article 1 or Article 2 of that Pact. The action taken by the Japanese army in Chinchow was purely the operation of the Japanese right of self-defence as stated, and there is no doubt that the action should not be regarded as international war and consequently it is quite natural that the provision of Article 1 of that Treaty had no concern with the Manchurian Affair. It is also patent that the operation of the right of self-defence is an exception to the provisions of Article 2, which promises that all international disputes should be settled by peaceful measures. The direct cause of the Manchurian trouble was not due to any disputes but lay in the outrageous conduct of the Chinese regular army which destroyed the Manchurian Railway near Mukden, so that it is quite clear that the provisions of Article 2 do not apply to the case. In normal conditions of international relations, all disputes should of course be settled by peaceful means, but it is a fundamental principle of international law that military operations should be admitted under abnormal and emergency conditions. Consequently, it goes without saying that the activities of the Japanese army do not violate the stipulations of the Non-War Pact. This is quite obvious in view of the reservations

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tions made by America and Great Britain to the Non-War Pact. The American Government, in concluding the Pact, made reservations as to its right of self-defence and also the Monroe Doctrine. What the Monroe Doctrine is, is left to America's own interpretation, but in concluding that pact the American Government insisted that the Monroe Doctrine should not be affected in any way by the Treaty; in other words, the American Government thinks that the Pact should not be applied to any action to be taken by America towards the Caribbean States which are practically within the sphere of America's influence. Again, the British Government insisted on the so-called British Monroe Doctrine and declared that Britain could not admit any interference by other countries in regions in which it has special and important rights and interests for Britain's peace and safety. What is meant by the region to which the British Monroe Doctrine is applicable is not clearly mentioned, but there is no doubt that it means the spheres of influence of Britain's predominant power; for instance, Egypt, the Persian Gulf district, Mesopotamia, Palestine, et cetera. The British Government accepted the Non-War Pact on the clear understanding that the conclusion of the Pact should not arrest the freedom of its action toward those regions. These reservations of the American and British Monroe Doctrines possess validity between those countries and other signatory Powers to the Non-War Pact. Although the Japanese Government made no reservations when concluding the Non-War Pact, Japan's position in Manchuria is quite the same as America's relation to the Caribbean States and Britain's relation to her spheres of influence. If the American Government insists on her Monroe Doctrine towards

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towards the Caribbean States and the British Government its Monroe Doctrine towards Egypt and other such regions, Japan is entitled to insist on her Monroe Doctrine with regard to Manchuria. As long as Britain and America reserve their Monroe Doctrines, it is the natural principle of international law that Japan can make similar reservations with regard to Manchuria, though Japan did not insist on her Monroe Doctrine when concluding the Non-War Pact. For this reason the action of the American Government interfering in the Manchurian question from the standpoint of the Non-War Pact must be said to be an unfriendly act from the viewpoint of international law and Japan should take a strong stand against such action by the American Government or any other Government.

From what I have explained it will be quite patent that Japan's action in Manchuria does not contradict any of the provisions of the Nine-Power Treaty and the Kellogg Non-War Pact.

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Enclosure No. 7.  
Despatch 457.  
From American Embassy  
Tokyo.

Translation.

PRESS STATEMENT OF FOREIGN OFFICE SPOKESMAN.

(Tokyo ASAHI of January 9, 1932.)

The general measures which the Japanese Government has taken and is taking in Manchuria are unavoidable self-defence measures of absolute necessity to Japan's national defence and do in no way run counter to the provisions of the Nine-Power Treaty or the Non-War Pact, and are not of a character to be restrained or bound by any of those treaties. As far as the present Manchurian question is concerned, the Japanese Government is possessed of strong conviction and determination to continue its independent policy in defiance of any interference or intervention of any third country. The true intention of Japan is to establish perfect peace and order in the whole of Manchuria to make it a place of safe and happy living for both natives and alien residents, and to realize the principle of equal opportunity by opening up the economic resources in the region to the investment of all nationals. This is all that Japan expects to accomplish in Manchuria. If any country entertains any doubt about Japan's intention expressed herewith it is the result of a lack of full understanding on the part of that country, and the Japanese Government will do its best to make such a country reach a full recognition of what Japan intends to do in Manchuria.

Editorial Note.- This recent action of the American Government as observed by the Foreign Office implies no particular diplomatic significance, it being merely a natural outcome of past proceedings.

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

February 2, 1932.

~~MMH:~~  
~~SKH:~~  
~~BSM:~~


If you have the time to read this attached report of a conversation between Mr. Peck and Mr. Eugene Chen on January 4, 1932, in regard to the Sino-Japanese controversy, it is very interesting.

A few of the high spots of the conversation as reported in the despatch are:

1. Chen stated that the Japanese Premier had sent several emissaries to sound him out on the question of open negotiations with Japan;

2. Mr. Peck states that there is a growing faction among younger Chinese in favor of attempting to obtain support from Soviet Russia, but that the conduct of the Communists in China has been so characterized by atrocities that the idea is, generally speaking, unpopular;

3. Mr. Karl Von Weigand, well-known German journalist, who had just returned from Russia, informed Mr. Peck that the Russians would not be likely to give China any important assistance against Japan, in any event, since Russia seems to entertain aversion to becoming embroiled with Japan.

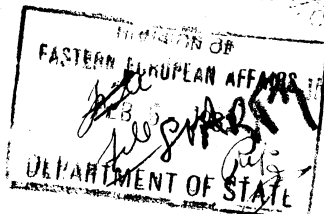


DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REC.

AMERICAN CONSULATE GENERAL,  
Nanking, China.

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

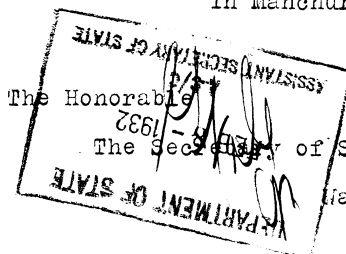


IN 30 32

January 6, 1932.



Subject: The Sino-Japanese Controversy  
in Manchuria.



The Honorable  
The Secretary of State,  
Washington.

Sir:

I have the honor to enclose with this despatch  
copies, in quintuplicate, of my despatch No.L-157  
dated January 6, 1932, to the Legation at Peiping  
entitled "The Sino-Japanese Controversy in Man-  
churia".

Respectfully yours,

*Willys R. Peck*  
Willys R. Peck,  
American Consul General.

Enclosure:

As stated.

In quintuplicate

800

WRP:MCL

F/LS

793.94/3740

FEB 13 1932

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No. L-157

AMERICAN CONSULAR SERVICE

American Consulate General,  
Nanking, China.

January 6, 1932.

Subject: The Sino-Japanese Controversy  
in Manchuria.

Honorable Nelson Trusler Johnson,  
American Minister,  
Peiping.

Sir:

I have the honor to refer to my telegram of  
January 4, 1932, and to enclose herewith a Memorandum  
of the interview with the Minister for Foreign Affairs  
to which the telegram in question related.

It was my endeavor to elicit, in a discreet manner,  
some information in regard to the policy which Mr.  
Eugene Chen intends to adopt in regard to the Manchurian  
controversy. He has been in office only since January 1  
and supposedly has not yet decided upon any definite  
course of action. Nevertheless, I received the impression  
that he sees no way out of the impasse but to open  
negotiations with Japan, and he admitted that the Japanese  
Premier had sent several emissaries to sound him out on  
the matter. Mr. Chen seemed very friendly and professed  
a desire for the assistance of the United States in  
meeting his heavy responsibilities.

The



-2-

The Legation is probably aware that Mr. Chen is popularly credited with holding the view that China should cultivate friendly relations with the Soviet Government, and with being in favor of direct negotiations with Japan in regard to the Manchurian controversy. I am not aware what reason exists for these popular beliefs, other than his residence in Russia following his removal from office in 1927 and his journey to Japan in the summer of 1931. There is a growing faction among younger Chinese in favor of attempting to obtain support from the Soviet Republic, but the conduct of Communists in China has been so characterized by atrocities that the idea is generally speaking unpopular. Mr. Karl Von Wiegand, the well-known journalist, who has just come from Russia, informs me that the Russians would not be likely to give China any important assistance against Japan, in any event, since the Russians seem to entertain a distinct aversion to doing anything which would embroil them in hostilities with that country.

In the matter of opening negotiations with Japan in regard to Manchuria, Mr. Eugene Chen seems to labor under an initial disadvantage, since he has been accused of having offered to make concessions to Japan in Manchuria, in return for Japanese support of the present regime. A few days ago in a meeting of Nationalist Party dignitaries the Cantonese faction which is now in power and to which Mr. Chen belongs, was stigmatized as a faction of "traitors who sell their country".

Several

-3-

Several of the group left Nanking for Shanghai after this public accusation, but peace was restored and they returned.

Respectfully yours,

Willys R. Peek,  
American Consul General.

Enclosure:

- 1/ Memorandum of Interview dated January 4, 1932, entitled "Sino-Japanese Controversy".

In duplicate to the Legation  
In quintuplicate to the Department.

800

WRP:MCL

Enclosure No. 1 to despatch to the Legation No. L-157  
of Willys R. Peck, American Consul General at Nanking,  
China, dated January 6, 1932, entitled "The Sino-  
Japanese Controversy in Manchuria".

Memorandum of Interview.

January 4, 1932.

Subject: Sino-Japanese Controversy.

Mr. Eugene Chen, Minister for Foreign Affairs.  
Mr. Willys R. Peck, Counselor of Legation.

In the course of a general conversation Mr. Peck  
observed that Mr. Chen as newly appointed Minister for  
Foreign Affairs had a number of very difficult problems  
to solve and he said that American officials would be  
glad to assist him in any way they could. Mr. Chen  
thanked Mr. Peck and said the National Government needed  
all the assistance it could get, especially from such a  
powerful nation as the United States.

With reference to the Manchurian situation Mr. Chen,  
replying to leading remarks by Mr. Peck, said that the  
National Government had not instructed General Chang  
Hsueh-liang to retire from Chinchow but, on the contrary,  
had instructed him to defend the position. Mr. Chen  
said that when the first press notices had come in  
reporting the withdrawal of the Chinese troops from  
Chinchow the Government had telegraphed to Marshal Chang  
asking him to report the facts and that Marshal Chang  
had not replied to this inquiry. Mr. Peck observed that

there

-2-

there were rumors that Marshal Chang had asked the National Government for funds for the support of his troops and the Government was unable to send him any; also, that the troops at Chinchow had run out of ammunition and owing to the fact that their guns had been manufactured in the arsenal at Mukden, other ammunition would not fit their guns, on account of which they had not been in position to make any resistance to the Japanese. Mr. Chen said that Marshal Chang had said nothing about this to the National Government, but had attempted to pave the way for his retreat by reporting the coming of Japanese airplanes, etc.

Mr. Chen observed that it was now imperative to adopt a new policy in regard to the Manchurian matter and that even if the former Government had remained in power it would have been necessary to adopt a new policy, since with the capture of Chinchow an entirely new situation had arisen. Mr. Chen said that obviously the National Government must do something by way of protest against the outrageous actions of the Japanese; that the Government could not, even if it desired to do so, passively acquiesce in the Japanese actions. He said that the actions of Japan had been outrageous; he often asked himself what age he could be living in, when a nation could take such a course, a supposedly civilized nation. Mr. Chen said that it had been clearly demonstrated that the Japanese Government could not control its own army, which was controlled by a class of young men who had acquired the name of "Japanese Junkers". He said that the Tokugawa Shogunate had been overthrown,

but

-3-

but that the military successors to the Shogunate were still in power.

Mr. Chen said he thought, or at least hoped, that the Inukai government would be more able to control the Military Party in Japan than the outgoing government had been. He based this hope on the fact that when he was in Japan in the summer of 1931 he had asked the General Staff to introduce him to people whom it would be worth while for him to meet, and one of these had been Mr. Inukai. Consequently he inferred more or less close relations between the present Premier of Japan and the Military Party. But, in any event, Mr. Chen said, since the Japanese Government could not control its own army, it was a danger to the civilized world. He inquired what value could be attached to the assurances of such a Government.

Mr. Chen said that it looked as though the Japanese had promoted the influx of Korean farmers into Manchuria, for the purpose of raising rice and he said that it was now reported that the Japanese Government was attempting to replace these Korean farmers with Japanese farmers, the idea being that possession of the economic resources of Manchuria was what was most important in the opinion of the Japanese Government. He said that one of the great difficulties encountered by the Chinese Government in Manchuria had been the extraterritorial status of the Koreans, which had been used as an excuse for the introduction of special Japanese police.

Mr. Peck remarked that since the military phase of

the

-4-

the controversy in Manchuria seemed to have reached its conclusion, presumably the National Government would enter upon some new course of procedure. Mr. Peck suggested that unless some sort of communications between the Chinese and Japanese Governments were undertaken a stalemate would ensue. Mr. Chen said that was quite true. He said that Mr. Inukai had sent around some mutual friends to sound out the situation, but that it would take some time to begin anything. He said that, of course, Japanese insistence that China first "recognize the Twenty one Demands" could not be acceded to, nor could the National Government be satisfied with the setting up of a Chinese administration in Manchuria, if it were a "puppet" government, with the personnel chosen by the Japanese. The National Government would insist on setting up its own administration.

Mr. Chen said that he had heard reports regarding the stand taken by the American Secretary of State in regard to Chinchow and he inquired what the facts had been. Mr. Peck replied that he had absolutely no official information on the subject, although presumably the American Minister had such information. Mr. Peck added that he had observed in the press reports that the Secretary of State had made representations to the Japanese Government just recently, to the effect that a Japanese attack on Chinchow would be regrettable, and while he did not know whether any such representations had been made, nevertheless it seemed quite certain that on one or two earlier occasions the Japanese Minister for

Foreign

-5-

Foreign Affairs had given positive assurances that the Japanese forces would never attack Chinchow. Mr. Chen assented to this, and again observed that the Japanese Government evidently could not control the army.

Mr. Peck said that the world was waiting with great interest knowledge of the policy which the new National Government would adopt in Manchuria. Mr. Chen smiled and said that he was working on a plan and thought he would be able to devise something practicable.

WRP:MCL

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustig NARS, Date 12-18-75

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

No. 88.

AMERICAN CONSULATE GENERAL,

Hankow, China, December 31, 1931.

JAN 30 32

Subject: Editorial in Local Newspaper.

THE HONORABLE

THE SECRETARY OF STATE,

WASHINGTON.

Sir:

I have the honor to supplement my despatch  
No. 69 to the Department, dated December 3, 1931,  
entitled "Editorial in Local Newspaper", by attaching  
to this despatch a leading editorial appearing in the  
CENTRAL CHINA POST (British), Hankow, issue of  
December 31, 1931, entitled "Another Appeal."

Respectfully yours,

*Walter A. Adams*  
Walter A. Adams,  
American Consul General.

Enclosure:

Editorial Appearing in the CENTRAL CHINA  
POST, Hankow, Issue of December 31, 1931,  
Entitled "Another Appeal".

In quintuplicate to the Department,  
One copy to the Legation in Peiping,  
One copy to the Consulate General in Nanking.

800

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FILED

JAN 13 1932



**The Central-China Press**

Thursday, December 31, 1931

**ANOTHER APPEAL**

That China has not yet lost faith in the efficacy of appeals to the League of Nations is evidenced by the latest appeal to that body on the grounds of infringement by Japan, of Article 2 of the League resolution concerning acts of aggression likely to aggravate the conflict now going on. No mention is apparently made of the fact that the League's strong recommendation for the retirement of troops of the contending parties in a specified area round Chinchow was totally ignored by China, and that, in fact, Chinese forces both regular and irregular have been constantly increased in this particular danger zone, nor the difficulty under which Japan labours in distinguishing an irregular bandit from a regular one.

While League observers may scratch agitated polls in an attempt to determine exactly what constitutes a bandit in either Manchuria or China, the Japanese have no need to. In the same manner that anyone opposed to the powers that be at Nanking become automatically Reds, anti-revolutionaries or reactionaries according to the most popular slogan of the moment, so to the Japanese in Manchuria become bandits, all who blow up railway lines, destroy bridges, or oppose their advance. Whether the bandit is in or out of uniform

is quite a matter of indifference, and for them no cloak exists of dense enough material to hide the purpose underlying any obstructionist move.

We do not believe for one moment that the latest appeal by China to the League of Nations will have any effect whatever, but what astonishes us is not China's repeated appeals so much as the fact that the League, constituted as it is of representatives of practically all the Foreign Powers, does not make an appeal against China. The world is confronted by the amazing spectacle of a China out to smash every treaty ever made, who have advertised their policy of treaty abrogation on each and every possible opportunity, who openly in their schools are training the youth and even the babyhood of the nation to fight foreigners, by depicting them as robbers and thieves of all that China holds dear, concocting for their purpose the most mendacious history ever designed as mental pabulum for the young, and at the same time using the League machinery to the limit without ever paying a penny piece of the cost, and—getting away with it.

Instead of China appealing against Japan, each and every Foreign Power ought long since to have impeached China at the bar of the League for their utter disregard of treaty rights solemnly conveyed. Short of a repudiation of foreign debts, and the passivity of the Powers is rapidly making this inevitable, there is nothing that China has left

-2-

undone to justify such impeachment. The Manchurian mess and the probable disruption of the Disarmament Conference and all that this important event means to Europe, is the direct outcome of political crime by China for which any other country would have been arraigned at the outset. Why has China not been arraigned? If it is the fear of the Bolshevik bogey, then all the Powers have had long enough to learn that the only way to dissolve this bogey is to face it. If it is fear of China's military might, then the experiences of 1929 in Manchuria should have taught the veriest schoolboy that it has no existence except in the imagination of pacifist politicians.

There never has been any need to fight, and the necessity has or can only become possible through the passivity of the Powers. The recent marathon races in Manchuria by what was regarded as China's finest army demonstrates this all too plainly, and if the reported apprehension of the Powers and their anxious notes to Japan are designed to encourage China into the open, then it is a waste of time, for their only recourse is a reversion to a renewed shaking of the bolshevik stick. To shatter this there are enough conservative leaders in the country to do it without the aid of any Foreign Power provided the Powers remain really neutral and refrain from making bargains with those whom fatuous idealists deem it desirable to

support.

Japanese action is the inevitable outcome of supporting instead of arraigning Nanking. The support and countenancing of the unholy triple alliance of the Soong, Chiang, and Chang families designed solely for the exploitation of Manchuria and China and by which this unfortunate country has been bled white has forced Japan to take military action. Opposition to her and further support to Nanking can only result in the widening of the conflict and ultimately bringing about that new world war of which we are all scared. Japan as well as the rest of the world are quite well aware that America will not fight. Outside of possible trade in Manchuria and China she has no incentive to do so. Neither can they or anybody else wish for war, yet every additional note they send to Japan is a direct incitement to China to continue a war in which they can gain nothing but defeat and humiliation. If they keep on they will ultimately be obliged to turn to the Soviets for assistance which they at present feel they have the right to look for from America since she injected herself into the quarrel on their behalf, and a realization of the fact that this will not be forthcoming will do far more harm to American trade than her present paper friendship will do good. If America wished to serve the cause of humanity, and we firmly believe that the majority of her people do, they will not only refrain from sending notes to Japan but will act the part of a true friend to China and warn her of the dangers that lay in the path of unilateral abolition of treaty rights and point out to them that the sanctity of treaties applies as much to China as it does to Japan and the rest of the world.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

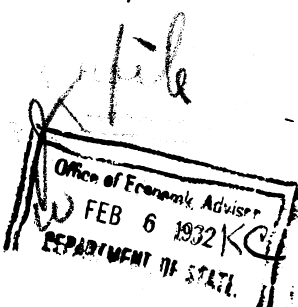
REQUIRED.

(Prepared for Department of State, in compliance with  
Legation's telegraphic instruction of November 25, 1931).

JUN 30 1932

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F/LS 793.94/3742



REPORT ON ANTI-JAPANESE BOYCOTT.

From A. S. Chase, American Consul.  
A. S. Chase.

Tsingtao, China.

Date of Completion:  
December 31, 1931.

Date of Mailing:  
December 31, 1931.

GENERAL SITUATION.

Since the Consulate's report of December 2, 1931, en-  
titled as above, there has been an appreciable slackening  
of the anti-Japanese boycott as manifested at Tsingtao.

It

- 2 -

It is impossible to state accurately how much this slackening now amounts to. Tonnage statistics for November would indicate little change in the situation (see tables). December returns are still incomplete, but according to the consensus of well-informed opinion, the last four or five weeks have witnessed a gradual steady recovery of Japanese trade back towards its normal relative position in the area.

As previously indicated, the local movement against Japanese trade has from the first depended entirely on mild and secretive methods of encouragement. Unlike other ports in China, there have been no seizures, pickets or public demonstrations. The success of the boycott, so far as it has succeeded--has been due to voluntary abstention from patronization of Japanese goods and services and to underhand pressure on merchants exerted by the Tangpu, particularly in the adjacent interior where such action is less open to observation. According to recent indications, both these means of sustaining the boycott have been less actively employed.

A certain amount of Japanese goods are entering the market disguised as products of other nations. So far as Tsingtao is concerned, such means are generally unnecessary, however. Japanese wares are openly displayed and sold here by Chinese dealers without the slightest attempt at anything in the way of positive hindrance. The continued subnormal position of Japanese maritime trade at the port is due rather to still effective boycott in parts of the interior than to any anti-Japanese sentiment in Tsingtao itself.

IMPORTS.

November

- 3 -

November imports from Japan were somewhat under those of October both actually and relatively as compared with imports in general. A fairly good picture of the boycott as it has affected local imports from Japan to date may be obtained from the following table (figures only approximate):

	A) TOTAL IMPORTS FROM ALL COUNTRIES, INCLUDING CHINA	B) TOTAL IMPORTS FROM JAPAN	RATIO OF B TO A
1931			
September	60,000	15,200	25.3%
October	58,000	17,900	30.8%
November	59,200	15,400	26.0%
Total	177,200	48,500	27.4%
1930			
September	74,700	24,500	32.8%
October	85,000	35,000	41.2%
November	65,000	26,000	40.0%
Total	224,700	85,500	38.0%

As already stated, December returns are expected to register an improvement in the situation.

EXPORTS.

Japanese export merchants are still reported to be encountering difficulties in certain lines, chiefly as a result of fairly effective Tangpu efforts to eliminate the old Japanese-controlled Produce Exchange and the resultant fact that many Japanese merchants have found themselves compelled to purchase interior produce through Chinese brokers operating on the newly established Chinese Produce Exchange. From statistics at hand, however, it is evident that these difficulties have not been seriously affecting the volume of exports to Japan.

COAST SHIPPING.

Until at least through the greater part of November, Japan's share in China Coast cargo shipping continued noticeably though not very seriously under normal, as shown by the following table:

A)

- 4 -

A) TOTAL IMPORTS AND EXPORTS TO AND FROM CHINA COAST	B) AMOUNT OF (A) CARRIED IN JAPANESE BOT- TOMS	RATIO OF B TO A
1931		
September 60,000	21,900	36.5%
October 69,100	16,800	24.3%
November 114,700 (*)	33,100 (*)	28.9%
Total 243,800	71,800	29.4%
(**) Includes large coal shipments).		
1930		
September 63,800	25,800	40.4%
October 74,700	20,700	27.7%
November 76,000	23,000	30.3%
Total 214,500	69,500	32.4%

The above table would indicate a ten per cent loss from normal over the three month period named. The figures must not be taken too literally, however, since they do not purport to be more than fair approximations. According to well-informed opinion, the loss has been somewhat higher than that shown by the table.

As with imports, December is expected to record an improvement.

LOCAL JAPANESE INDUSTRIES.

The situation with respect to the local Japanese cotton and other mills remains with no appreciable change from the conditions previously reported. The cotton mills are well employed and continue easily to dispose of good outputs--though at financial loss due to the heavily out prices of their products.

In quintuplicate to Department of State,  
Copy to Legation,  
Copy to Consulate General, Shanghai.

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ASC/COH

CONFIDENTIAL NOTE: Chief sources of information: ships' manifests, conversations with Commissioner of Maritime Customs and important local business men.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustig NARS, Date 12-18-75

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Office of Economic Adviser  
BWB FEB 4 1932  
DEPARTMENT OF STATE

No. 425

AMERICAN CONSULATE  
GENERAL

Mukden, China, January 7, 1931.

SUBJECT: Railway Situation in Manchuria as Affected by  
the Japanese Occupation.

THE HONORABLE  
THE SECRETARY OF STATE  
WASHINGTON.

SIR:

Referring to my despatch No. 493 dated December  
2, 1931, to the Legation, Peiping, entitled "Some  
Aspects of the Japanese Occupation" concerning activities  
of the Japanese for the advancement of their interests,  
I have the honor to present a brief resume of the rail-  
way situation in Manchuria as affected by the Japanese  
occupation.

Railways have, in the past, been one of the most  
important Sino-Japanese problems in Manchuria. The  
Chinese began constructing railways on their own behalf  
in 1925 and at a very early stage these railways met  
with objections from the Japanese, the Mukden-Hailung  
and Kirin-Hailung lines because of their forming a line  
parallel to the South Manchuria Railway and the Kirin-  
Hailung additionally because of its being part and parcel  
of the Kirin-Kaiyuan project provided for by one of the  
so-called Nishihara agreements (Preliminary Agreement  
for a loan for railways in Manchuria and Mongolia -  
September 28, 1918). It may be mentioned here that

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- 2 -

the alleged secret protocols to the Sino-Japanese Treaty of December 22, 1905, interdict the construction of parallel lines to the South Manchuria Railway.

On the west of the South Manchuria Railway, the South Manchuria Railway Company built for the Chinese the Esu-Tao and Tao-Ang (Ssupingkai-Taonan and Taonan-Angangchi) lines which, for the Japanese, served the double purpose of providing valuable feeders for the South Manchuria Railway and of tapping territory within the zone of the Chinese Eastern Railway. The subsequent construction by the Chinese of the Tahushan-Tungliao line (completed at end of 1927), which connects with the Chengchaitun-Tungliao branch of the Esu-Tao Railway at the latter point, gave the Chinese a circuitous but direct all-Chinese rail route between Mukden and Tsitsihar. Politically this route proved a great asset to the Chinese who were thereby enabled freely to move troops between north and south Manchuria without Japanese permission which had to be obtained for the movement of Chinese troops over Japanese railways. Commercially it was of considerable potential importance, especially in view of the building of the port of Hulutao. However, the Japanese, for obvious reasons, emphasized this phase of the railway problem, for which they were given ample grounds by the Chinese who not only failed to make a serious effort to meet their financial obligations to the South Manchuria Railway Company on account of construction costs and unpaid interest charges but by devious means deferred the reaching of an understanding over the

division



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Department of State letter, August 10, 1972  
By Milton O. Lustig NARS, Date 12-18-75

- 3 -

division of outgoing freight traffic originating north of Chengchiatun while at the same time redoubled their efforts to divert traffic from the South Manchuria Railway for the benefit of their lines. It may be mentioned in passing that Japanese protests against the construction of the Mahushan-Tungliao line on the basis of the above mentioned alleged secret protocols were totally disregarded and the work of construction was completed as rapidly as possible.

Now the situation is completely reversed. The Mukden-Hailung-Kirin lines which were operated as feeders for the Peiping-Liaoning Railway - a through passenger service was operated daily between Kirin and Peiping prior to September 18, 1931 - now feed only the South Manchuria Railway lines. The Peiping-Liaoning Railway tracks, under the South Manchuria Railway main line, connecting the Huangkutun and Mukden stations were destroyed by Japanese troops on the night of September 18th and have not been repaired to date. Conversely, the connection which the Chinese desired to make at Kirin between the Kirin-Hailung and Kirin-Tunhua lines at the Kirin-Changchun Railway station and which the Japanese opposed prior to September 18, 1931, was made on October 16th with their approval. Although the Mukden-Hailung (a Chinese owned and built line) is operating under a Chinese management, Japanese advisers completely control

its

- 4 -

its financial operations. The status of the Kirin-Hailung Railway, built by the Kirin provincial government, has not been altered as far as is known. The Kirin-Tunhua Railway, one of the Japanese built lines has, for purposes of operation, been combined with the Kirin-Changchun Railway and is under the direction of the South Manchuria Railway Company, as is the latter line.

The Ssu-Tao and Tao-Ang lines which are now under one Chinese Director General although probably still maintaining separate head offices likewise are controlled by the South Manchuria Railway Company and according to a recent Japanese press report the Tsitsihar-Koshan Railway, Chinese built, is under the management of the Tao-Ang Railway (there is one Chinese Director General for the three lines). The Chengchiatun-Tungliao branch of the Ssu-Tao Railway has been out of commission since the latter part of October and recently Japanese Headquarters reported that some twenty-five kilometers of trackage have been totally destroyed. Through passenger trains between Ssuningkai and Tsitsihar and between Mukden and Tsitsihar since December 20 are being operated over this route and Japanese railway guards are stationed along these lines as far north as Angangchi. In other words, these two lines are operated as part of the South Manchuria Railway system and through the Chinese Director General some control, at least, is exercised over the Chinese Tsitsihar-Koshan line.

Another serious complaint of the Japanese against the former Chinese authorities was their refusal to

carry

- 5 -

carry out the agreements for the construction of the extension of the Kirin-Tunhua Railway to the Korean border (Kirin-Kainei Railway) and for the construction of the Changchun-Talai Railway. The building of these lines has been the subject of several agreements, the last one having been signed at Peking in May 1928 by Chang Tso-lin's government. Recently reports have appeared in the press on several occasions to the effect that the Japanese intend building these lines in the near future. It was reported that a party of Japanese surveyors was sent over the proposed route of the Tunhua-Kainei line during the past two months and that some equipment for construction purposes has been sent to Tunhua. Economically and strategically the building of this line at this time does not appear urgent. It is possible, however, that political considerations in Japan may induce its early construction. Although no definite decision may have yet been reached, well-informed Japanese have expressed the opinion that this project will probably be started in the spring of 1932. Other projects, it is thought, are likely to be deferred.

Although it may be premature at this time to make definite statements in regard to future railway developments in Manchuria, it can safely be stated that the Chinese scheme of railway construction, as prepared by the Communications Commission at Mukden in 1930, is dead. The railways that were built with Japanese money

(South

- 6 -

(South Manchuria Railway Company) and are now being operated as a part of the South Manchuria Railway system are likely to continue to be operated in that manner for a considerable time at least. According to a recent authoritative statement by a high Japanese diplomatic officer in China to an American press representative (New York Times), Japan has no intention of depriving the Chinese of these lines but will not return them before certain conditions are fulfilled. The existence of a stable and responsible government in China from which Japan will require a blanket stipulation in a new treaty recognizing direct negotiations between Japan and the local governments for the settlement of Manchurian problems and subsequently the conclusion of these negotiations were given as the requisite conditions. This program, if adhered to, may not be realizable for many years for very obvious reasons, a fact which is no doubt fully appreciated. At least it gives the Japanese operation of these lines an appearance of impermanence.

Too, there are other railways to be built in Manchuria with Japanese funds as provided for in Sino-Japanese treaties, the implementing of which is one of the proclaimed objects of the military occupation. Japan obviously intends to dominate the governments in Manchuria no matter what may eventuate and consequently it will control directly or indirectly the whole network of railways in Manchuria with the possible exception of the Chinese Eastern Railway. In view of these circumstances, it is reasonable to expect that railway construction in

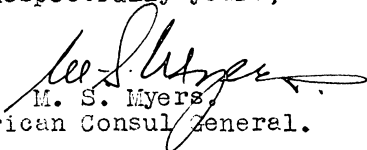
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- 7 -

the future will be carried on either by Japanese or by Sino-Japanese interests, not by independent Chinese interests.

In the past few years, the Chinese built lines have been large purchasers of American equipment, such as steel rails, locomotives and freight and passenger cars - the Kirin-Hailung line has only American equipment - while the Japanese built lines have bought very little American railway material - no rolling stock at all and only a small part of their rail requirements. These lines have purchased Japanese equipment. Under these circumstances, the outlook for the sale of American railway equipment in Manchuria is by no means bright. The "open door" may not be closed but indications are unmistakable that the market is no longer open.

Respectfully yours,

  
M. S. Myers,  
American Consul General.

Original and four copies to Department.  
Two copies to Legation, Peiping.  
One copy to Embassy, Tokyo.  
One copy to Consulate General, Shanghai.  
One copy to Consulate General, Harbin.  
One copy to Consulate, Dairen.

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

Forwarded to Department of State  
Special Dispatches, Correspondence  
Bureau of the American Legation at Peking

Translation of an editorial appearing in the  
CHING PAO (PEKING PRESS) of November 14, 15, and 16,  
1931.

(Trans. EFS)

DO NOT EXPECT ANYTHING OF THE LEAGUE OF NATIONS,  
BUT DISCUSS CONDITIONS IN JAPAN AND THE UNITED  
STATES.

While there is only one day more before the  
expiry of the time limit of November 16th fixed  
by the League of Nations, does the League of Nations  
have any means of controlling Japan's refusal to  
withdraw her troops and her continued advance? The  
League of Nations is too ingenuous if it really  
believed that Japan would withdraw her forces before  
the 16th and should have become aware of Japanese  
insincerity regarding this matter. Japan informed the  
League of Nations of her refusal to withdraw troops  
sometime ago. Mr. Yoshizawa intimated that troops  
might be withdrawn, but that no date could be fixed.  
This was notice of definite refusal to withdraw troops  
by the 16th. Accordingly, the present questions are:  
"How can the League of Nations control Japan?" and "How  
should China herself fix a new policy?"

How to fix the foreign policy of China is really  
a very great and very pressing question. However,  
besides this question, there is the impending problem  
of the Nippon-Russian and Nippon-American wars. Under  
existing conditions the situation between Japan and Russia  
is more critical than that existing between Japan and  
the United States. Nevertheless, the situation between  
Japan and the United States should not be neglected.

Yesterday

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Yesterday we discussed in detail the question of relations between Japan and Russia. Now let us study the relations between Japan and the United States.

Both Japan and Russia had long secretly made military preparations prior to the outbreak of the Russo-Japanese War in 1905, but the Chinese people paid no heed to the matter. When the war broke out in Chinese territory, a majority of the people still regarded it as "devil beats devil", and deemed that we might assume an onlooker's attitude. After the Russo-Japanese War was concluded, the question of Manchuria and Mongolia arose and became more critical day by day. Japan's ambitious and aggressive designs on China also became more pressing and urgent each day. At that time the public began to be aware of the importance of the Russo-Japanese War to China. We need not mention our past mistakes. Since Japan has forcibly occupied the northeast, the waves of the Pacific Ocean have been gradually risen and the dream of peace has been gradually shattered and an awakening has occurred. Aside from loudly yelling for a declaration of war with Japan, we cannot but stretch out our necks and look at the "Eastern British Isles" in the Pacific and further east the United States of America surrounding the Pacific Ocean.

Before we mention the actual condition of armaments in Japan and the United States of America, we should first make a brief reference to the present situation in these two countries as well as their political tendencies. Japan is an island country and consists of five Provinces, four States, and the islands in the North

Sea.

-3-

Sea. The total area is less than Szechwan Province. The population is 59,138,900, which is less than the population of Szechwan Province. There are a good many volcanoes in Japan. Her natural resources are extremely poor. She is very deficient in coal, iron, and oil. Her principal foodstuffs come from abroad. When the rice dispute occurred in 1918, a violent agitation amongst the farmers commenced. However, as regards industries, the factory system has gradually replaced household industries since her modernization. Subsequent to the Russo-Japanese War, her machine industries have greatly improved. According to the latest statistics, Japan has 44,000 factories. As regards economic conditions, she received a huge indemnity from China in the Sino-Japanese War, gained large profits from her frequent speculations during the European War, and has also exacted enormous sums from her colonies and Manchuria. Japan has therefore been growing richer day by day. The total deposits of twelve ordinary banks in Japan are \$8,906,470,000. National banks, trust companies, insurance companies, and other investments in state loans are not included. According to an investigation made by statistical experts, the per capita of wealth of Japan is £153.

With respect to foreign trade, the total trade during 1907 was £93,000,000. It has now increased to five times that amount. In connection with Sino-Japanese questions, Japan has hitherto adopted an aggressive policy. The aggressive program may be divided into four periods. The first period was during the Sino-Japanese War of 1895. The second period was during the Russo-Japanese War of

1904.



-4-

1904. The third period was the European War, 1914-1918. The Fourth period was during the false world peace subsequent to 1918. The aggressive policy of the first period was concerned with the division of Chinese territory and the occupation of Korea. The second period was occupied in spying about Chinese territory. After she destroyed Korea, Japan stepped forward and carried on her work in Manchuria. The political enemy of Japan in Manchuria was not China, but Russia. The Russo-Japanese War broke out due to their competition. When she defeated Russia, she acquired the right to carry on work in Manchuria. However, she could not act at will as the foreign Powers have equal power in China. When the European War suddenly broke out, the United States, France, Great Britain, and Germany devoted all their energies to the struggle which was one for their very existence and had no time to bother with the east. Japan advanced another step and extended her influence into Shantung. The aggressive policy for the third period was to attack and annex China. While the European War was critical, the European nations had no time to attend to Far Eastern matters. Japan felt that she was the beloved son of Heaven and could do whatever she wanted. Accordingly, she secretly filed the "Twenty-One Demands" on January 18, 1915, concerning the Shantung question and the development of Manchuria and Mongolia.

The aggressive policy of the fourth period is to shorten the scope of the original plans of aggression into local aggression. Subsequent to the European War, the foreign Powers saw Japan threatening China and disregarding them. They felt uneasy and thereupon discussed counter-measures. The United States was in  
particular

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particular the strong opponent. Japan, being struck many blows in her international policy, changed her tactics toward China and was constrained to limit the scope of her aggression. She confined her attention to Manchuria. The present is the realization of the fourth period.. The United States of America, a neighboring nation on the Pacific, who has hitherto watched and oppressed Japan, is therefore the real political enemy of Japan today. Japan's political enemy is not China.

The natural resources of the United States of America are greater than any other country; her geographical position is better than any other nation. A strong, sound, and intelligent nation was founded by the amalgamation of different races. By virtue of the opportunities afforded by the European War she monopolized the economic power of the world. As regards mineral products, she has 46% of the total coal production of the world, 40% of the iron, and 2/3 of the oil. She produces 1/3 of the world's copper production and is second in gold production. As regards industries, her copper and iron industries rank first. The value of her manufactured articles is \$64,555,000,000. Her automobile industry ranks first. There is a motorcar to every four persons. As regards her communication facilities, the length of all railways in the United States of America is approximately 420,000 kilometers. The length of electric railways is approximately 80,000 kilometers. The length of public highways is 4,000,000 kilometers. The number of her merchant vessels equals that of Great Britain who ranks first. The United States of America has now become the financial center of the world.

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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world. National wealth exceeds U.S.\$80,000,000,000. The United States is also the world's creditor in the amount of U.S.\$50,000,000,000. Her investments in other countries are increasing day by day. In a speech delivered in California at the time of the elections President Hoover proudly said: "While the population has increased 8% during last eight years, the income of the United States has also increased U.S.\$30,000,000,000, i.e. an increase of 45%. Production has increased 25%. During the past eight years the number of families has increased 2,300,000. The number of new buildings has increased 3,500,000. During this short period of time 900 families have been equipped with electrical accessories, thus improving the hard labor of women. At the same time 6,000,000 telephones, 7,000,000 radio sets, and 1,400 automobiles have been added. All obstacles of time and air have been done away with."

An examination of the speech of Mr. Hoover indicates the reasons why the world capitalists are constrained to be placed under the direction of the United States, and why world supremacy in industry and commerce has been gained by the United States. Although the United States is so rich and powerful, she has not as yet acquired an important position on the Pacific. The country which is the greatest hindrance to the United States is Japan. Therefore the United States has only the two following policies vis-a-vis China: (1) first to prevent Japan launching an immediate attack on China; and (2) to control the commerce of the Pacific and then employ this economic power to oppress Japan. If Japan compromises,

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compromises, the United States will then gain control of the Pacific and could also directly invade China. Should the first policy be adopted, conflicts between Japan and the United States will be inevitable. If the latter policy be adopted, Japan will certainly refuse to compromise. As a result, there must be a page in world history concerning the tragic conditions which will attend a war between Japan and the United States of America.

Should a war unfortunately break out between Japan and the United States, the armies, navies, and air forces of these two countries will be mobilized. Accordingly we should make a comparison of the strength of armaments of these two countries.

The Japanese Army uses the conscription system and consists of 17 divisions in peace times, totalling some 236,000 men. An ordinary private is required to remain in the army for two years. Nurses and pioneers are required to stay for one year and half. Transport soldiers are required to stay two months only. The number of commissioned officers is altogether 16,740, and that of non-commissioned officers is 215,260. The strength of the army during war is kept strictly secret. However, as calculated in accordance with the present conscription system, the number of troops who may be recruited during a war is between 1,000,000 and 2,000,000. If in accordance with the precedent set during the European War all males between the ages of seventeen and fifty are conscripted, Japan might mobilize 10,840,000 during a war.

The United States Army adopts the volunteer system. The organization during peaceful times comprises the regular

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By Milton O. Gustafson NARS, Date 12-18-75

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regular army, national guard, reserve army corps, and territorial army. The regular army garrisons the country and the dominions during peaceful times. During a war the regular army would be a strong force for national defense. The period of service in the army is three years. Just after the cessation of the European War, the regular army of the United States consisted of approximately 300,000 men. However, the army was later reduced to 138,000 men. The period of service in the national guard is three years. The organization, uniform, and training are the same as the regular army. The army consists of local volunteers and comprises some 177,000 men during peaceful times. The reserve officer's army corps consists of slightly trained candidates for non-commissioned officers, and comprises only 77,000 men. The territorial army consists of soldiers called under the compulsory conscription law during a war. For example, all men between the ages of eighteen and forty-five may be conscripted, which would amount to at least 13,000,000 men. Even excluding those who fail to pass the physical examination, there will still be 11,608,000 men.

Should a war break out in the Pacific, the most important armament will of course be the navy. In view of this, both Japan and the United States are making every effort to increase their naval forces. The naval forces of Japan and the United States are briefly given below.

The most important warships in the navy are capital ships. The number of the Japanese capital ships is 10 with a total tonnage of 311,320 tons.

There

-9-

There are 16 16-inch guns and 80 14-inch guns, totalling 96 guns. The average speed is 24 1/2 nautical miles. The United States has 18 capital ships with a tonnage of 505,205 tons. There are 24 16-inch guns, 124 14-inch guns, and 44 12-inch guns, totalling 190 guns. The average speed is less than 21 nautical miles. While capital ships are major ships in the navy, they are clumsy and not easy to navigate. Reliance is therefore placed upon subsidiary ships such as cruisers, destroyers, and submarines. It appears upon investigation of the Japanese and American subsidiary vessels that the American navy is absolutely dominant. Japanese destroyers and cruisers are worse than those of the United States. However, this merely represents a difference in materials. As regards morale, the ability of naval officers and fighting technique these are also important <sup>in</sup> naval standards.

Air forces are also a strong defense, and may be divided into two kinds, i.e. land and sea. Land air forces consist of bombing, fighting, and reconnoitering planes. Sea air forces consist of amphibians and seaplanes. According to the latest investigations, Japan is in possession of 30 bombing planes, while the United States has 99 bombing planes. While Japan has 132 fighting planes, the United States has 159 fighting planes. Japan has 99 reconnoitering planes, and the United States has 769 reconnoitering planes. The United States has hitherto cherished the concept of "the United States first", and has made every effort to realize this desire; she desires to supplant France as the first in aviation. It seems that

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that Japan is in every way outclassed by the United States.

Nevertheless, it is unlikely that a war will break out between Japan and the United States during the present age. American diplomacy is called by world "Dollar Diplomacy". Her government is called a businessman's government. The spirit of the businessman's government is particularly well exemplified by the Hoover Government. The United States will certainly act within this scope in respect of Far Eastern relations. We will not enumerate such phrases as "Open Door and Equal Opportunity", "Independence of South Manchuria Railway", "Joint Military Expedition to Siberia", "The First Withdrawal of Forces from Siberia by the United States of America", "The Washington Conference", and "The Kellogg Treaty for the Renunciation of War", but we will discuss the economic relations of the United States to the Far East. The most important part of the trade of the United States with the Far East is her trade with China. During recent years Japan has been the first, Hongkong the second, and the United States the third in China's trade. In 1925 China's imports of American goods amounted to 142,513,422 Haikwan taels and China's exports to America 143,235,936 Haikwan taels. While some progress has been made during recent years, generally the figures remain unchanged. In 1930 imports of American goods to Manchuria amounted to 20,729,000 Haikwan taels, and Manchurian exports to America 6,990,000 Haikwan taels. Her investments in Manchuria total \$39,590,000. Therefore, the economic relations of the United States with the Far East are entirely different to her huge war reparations in Europe. Should Europe remain peaceful and should

anything

-11-

anything occur in the Far East detrimental to the economic interests of the United States, she might possibly have available strength to attend to affairs in the Far East. The economic crisis in Europe has now become the most important world question. The one-year moratorium will end in eight months. There is no gauge for the future. The question of silver production, the problems of wheat surplus, and of unemployment have an important bearing on the economic crisis.

Should the United States be aroused for the sake of justice and start to interfere in the present struggle in the Northeast, whatever action she takes can only be based upon the Washington Treaty and the Kellogg Anti-War Pact. If the former be invoked, nine Powers will be involved. It is difficult to convene a conference. If no conference be called, discussions would take considerable length of time. Should the latter be taken as the basis, she will merely address identical notes in the form of advice to the two parties. Furthermore, actions taken by the United States vis-a-vis various countries in South America are similar to those taken by Japan toward China and are innumerable. It is possible that the United States and Japan will seek another way or will cooperate in dealing with Russia or will temporarily recognize certain limits with respect to each other. Aside from assuming the same attitude as that of the League of Nations, the United States has not made any further public statement since the occurrence of the Sino-Japanese incident. This clearly indicates the present policy of the United States. It is recalled

that



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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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that we mentioned day before yesterday that the relations between Japan and the United States are not so critical as those between Japan and Russia. It will be hopeless if China fails to better herself and merely depends upon the United States of America.

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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THE UNDER SECRETARY  
JAN 14 1932

DEPARTMENT OF STATE  
JAN 25 1932  
DIVISION OF  
COMMUNICATIONS AND RECORDS  
Division of  
NEAR EASTERN AFFAIRS  
JAN 14 1932

DCR

F/DEW

793.94/3745

TO THE SECRETARY OF STATE  
FROM THE UNDER SECRETARY  
SUBJECT: [Illegible]  
[Illegible text follows, mostly obscured by stamps and handwriting]

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OFFICE OF  
NAVAL INTELLIGENCE  
RECEIVED



JAN 14 1932

JAN 25 1932

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Department of State letter, August 10, 1972  
By Milton O. Lustigson NARS, Date 12-18-75

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FROM: CINCSIAATIC

TO : OENAV

XT YT FEB 2

Division of  
FAR EASTERN AFFAIRS  
JAN 26 1932

RECEIVED IN SERVICE OF OTHER

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note 393.1111-100-100  
0023 MY 0026 1329 SITUATION SHANGHAI REPORTED HOPEFUL BY TRUXTON  
JAPANESE DEMANDS INCLUDE APOLOGY FOR ATTACK ON JAPANESE MONKS AND  
ARREST AND PUNISHMENT OF ASSAILANTS. CHINESE HAVE AS YET MADE NO REPLY  
TO DEMANDS. JAPANESE HAVE DIRECTED REPLY MUST BE MADE WITHIN REASONABLE  
TIME BUT INFORMED SETTLEMENT OFFICIALS NO MILITARY OPERATIONS IN  
SETTLEMENT TERRITORY WILL BE ATTEMPTED WITHOUT CONSULTING SETTLEMENT  
AUTHORITIES. COMYANGPAT REPORTS KIUKIANG QUIET RUMORS <sup>K A</sup> IIRNGSI TROOPS  
MAY MUTINY DUE NOT BEING PAID FOR SEVERAL MONTHS. IF THEY MUTINY WILL  
PROBABLY JOIN LARGE COMMUNIST BANDIT ARMIES CENTRAL AND SOUTHERN X  
IANGSI. REPORTS FROM OAHU AND TUTUULA INDICATE PRESENCE MANY COMMUNIST  
BANDIT BANDS NEAR RIVER VICINITY SHASI AND KIENLI.

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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SHEET 2

393,111-  
Baker, Charles

COMMUNICATIONS FROM BANDITS WHO CAPTURED BAKER OF YANGTZE RAPIDS  
COMPANY ARE SIGNED REPRESENTATIVE OF SOVIET DISTRICT GOVERNMENT 1701

ACTION 13

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0800 26 JANUARY 1932.

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154

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By Milton O. Gustafson NARS, Date 12-18-75

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FROM CIRC ASIATIC FLEET

SECTION : CINAV

Division of  
FAR EASTERN AFFAIRS  
JAN 26 1932  
Department of State

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0026- SIMPSON AT HANKING REPORTS THAT TENSION OVER SHANGHAI SITUATION  
BOMBSHED LESSENER BECAUSE GOVERNMENT HAS DECIDED TO MEET JAPANESE DEMANDS  
AS FAR AS CIRCUMSTANCES PERMIT. COMMUNIST DEMANDS IN YANGTZE VALLEY HAS  
NOT DECREASED AND IS ONE REASON WHY JAPANESE DEMANDS ARE TO BE MET SO  
THAT A CAMPAIGN AGAINST COMMUNISTS CAN BEGIN AT ONCE. COMMANDING OFFICER  
OF REPUBLICAN REPORTS THAT UNLESS MOST UNDESIRABLE CIRCUMSTANCES ARISE  
FURTHER MOVES WILL TAKE PLACE IN SETTLEMENT SHANGHAI AND OTHER AMERICAN  
LIVES AND PROPERTY ARE IN NO REPEAT NO DANGER. FOUR DESTROYERS IN MANILA  
ARE IN READINESS TO PROCEED CHINA ON TWENTY FOUR HOURS NOTICE. REPAIRS  
TO HOUSTON WHICH WOULD PREVENT HER BEING READY FOR SERVICE IN LESS THAN  
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 By Milton O. Gustafson NARS, Date 12-18-75

Division of  
 FAR EASTERN AFFAIRS  
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 Department of State

PAGE-1

F/DEW

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793,94  
 HAVE ELEVEN MEN OF WAR INCLUDING SEAPLANE TENDER AND TWO  
 AND FOURTEEN HUNDRED FIVE TROOPS SHANGHAI JAPANESE REAR  
 AS SAME BLANCHE AND STATED ON INQUIRY THAT NEUTRALITY OF  
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 SE AGITATION AND PERCOTT SOCIETIES BE STOPPED CONSUL  
 KING RETURNS THROUGH AMERICAN MINISTER WHO AGREES THAT  
 CHINKING AND WURU IN CASE EVACUATION NECESSARY  
 OF PRESENT HEAD, COMYANGPAT REPORTED FROM WURU  
 CONSIDERED ADDITIONAL VESSELS NECESSARY NAVYING BUT  
 FOR SEAPLANE BOMBS NOW ENROUTE DESTROYER AT SHANGHAI  
 REACHED AT IRRESISTIBLE IN MY OPINION IS UNWISE TO INCUR  
 DUE IMMEDIATE RISKS SUCH IS FOR CHINESE AID HAVE

THIS COPY FOR STATE DEPARTMENT

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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FROM : CINC ASIATIC FLEET

ACTION : OENAV

PAGE-2-

SUGGESTED TO AMERICAN MINISTER THAT IF EVACUATION APPEARS NECESSARY  
IT BE ANTICIPATED BY COMMERCIAL MEANS AND NOT DELAYED TO LAST  
MINUTE. 2359.

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

THE UNDER SECRETARY  
JAN 21 1932  
DEPARTMENT OF STATE

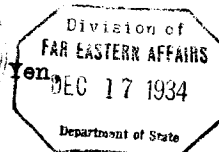
DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

January 20, 1932.

Conversation.

The Chinese Chargé, Mr. Hawking  
and Mr. Hornbeck.



F/DEW

One. The Chinese Chargé said that he had a message from the Chinese Minister, en route to Geneva, asking whether a copy of this Government's note of January 7 to China and Japan had been communicated to the Council of the League. I replied that a copy had been sent to our Consulate at Geneva for the information of the Council.

The Chargé said that the Minister wished to know whether we would be represented at the next meeting of the Council. I said that the question had not been, so far as I knew, thus far discussed; that I had no doubt but that we would maintain a contact but saw no reason to expect that we would have anyone sitting in or directly associated with the meetings of the Council.

Two. Acting on instruction of the Secretary, I told the Chargé that the Senate had some time ago asked for correspondence in relation to the Manchuria situation. I said that I assumed that the Chinese Legation knew of this. The Chargé replied that he did. I said that the Department was sending forward papers, including all of the written communications between this Government and the Chinese and Japanese Governments and some of the correspondence with the League;



- 2 -

League; and that in all probability these papers would, before long, be made public; and that the Secretary desired that the Chinese and the Japanese Governments be informed. I suggested that he communicate this information to his Government. He said that he would do so. I said casually that I supposed that it might be assumed that the Chinese Government would welcome this development. The Chargé said that he certainly could think of no reason why they should object and he thought they would probably be gratified.

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Three. The Chargé said that, without instruction from his Government, he would like to mention again the question of a conference under the Nine Power Treaty. He thought that things were tending more and more toward the necessity for a conference. I said that, without going into the question of the merits of that idea, it seemed to me that there would be little chance of obtaining consideration for it at the present time: for the next few weeks the calendars of all Governments are full.

*Sign*

SKH:REK

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

14  
DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

Mr. Secretary



It appears  
me that the Japanese  
Government is definitely  
worried about the  
bad impression that  
they have created at  
Shanghai.

Shall

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE  
DIVISION OF FAR EASTERN AFFAIRS

January 26, 1932.

DEPARTMENT OF STATE  
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JAN 28 1932  
DIVISION OF  
COMMUNICATIONS AND RECORDS



FE  
file

Mr. Kato of the Japanese Embassy just'phoned again ( 4 p.m.) and stated that the Embassy had a second telegram from the Japanese Foreign Office stating that at 2 p.m. today the Shanghai Municipal Council ~~had~~ closed the office in the International Settlement of the Min Kuo Yih Pao; and that the Municipal Council had decided not to close for the time being the office in the International Settlement of the Anti-Japanese Association but that, whenever the Japanese Naval authorities desired that this office be closed, the Municipal Council would cooperate with the Japanese Navy in closing the office.

Mr. Hamilton was unable to ascertain from Mr. Kato whether the message meant that when the office of the Anti-Japanese Association was closed it would be closed by the Municipal Council or by the Japanese Navy or by both acting in cooperation.

Mr. Kato stated also that <sup>2</sup> further telegram<sup>1</sup> received by the Embassy from Shanghai indicated that conditions there were improving.

MMH:AT

F/DEW

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JAN 28 1932

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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

RECEIVED  
JAN 28 1932  
DIVISION OF  
COMMUNICATIONS AND RECORDS

January 26, 1932.

SECRETARY OF STATE  
JAN 27 1932

RECEIVED

JAN 26 1932

SECRETARY'S OFFICE  
Division of  
FAR EASTERN AFFAIRS  
AUG 10 1935

Mr. Secretary:

I notice among Tokyo news despatches of  
January 24 (United Press) the statement that  
Foreign Minister Yoshizawa today denied any  
intention of occupying Shanghai.

However, among the news despatches of January 25  
(Associated Press) appears the statement that a For-  
eign Office spokesman has stated that the Japanese  
Admiral in command at Shanghai may be called upon to  
take such measures as are being proper to protect  
Japanese lives and interests.

Shanghai news despatches of January 25 (Hallett  
Abend) state that the Japanese Consulate General today  
emphatically declared that China will be forced to sign  
an agreement acquiescing to all the Japanese demands,  
"and this time Japan will be forced to carry out her  
agreements, though she has never done so before".

The paper here attached contains statements made a  
few moments ago by Mr. Kato of the Japanese Embassy to  
Mr. Hamilton of this office.

FE:SKH/ZMF

F/DEW  
793.94/3751

FILED

JAN 28 1932

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE  
DIVISION OF FAR EASTERN AFFAIRS

RECEIVED  
JAN 26 1932  
JAN 27 1932

Mr. Kato of the Japanese Embassy just phoned and stated that the Embassy had received a telegram, dated January 26, from the Japanese Foreign Office in Tokyo, stating that the Shanghai Municipal Council decided, on January 26, that the principal office of the Anti-Japanese Association and the office of the Min Kuo Yih Pao should be closed, both offices being in the International Settlement.

Mr. Kato expressed the opinion that, if the report contained in the telegram was true, the situation at Shanghai would be much less tense and the possibility that the Japanese naval forces would take action in the International Settlement would be removed.

Mr. Hamilton thanked Mr. Kato for this information.

FW 793.94/3751

*File*

MMH/REK

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE  
DIVISION OF FAR EASTERN AFFAIRS

Mr. Secretary:

January 26, 1932.  
STANDARD FILE  
JAN 26 1932

Herewith a concise chronological account of events at Shanghai from January 20 to January 25.

Attention is called particularly to the last two paragraphs on pages 3 and 4.

JAN 26 1932

SECRETARY'S OFFICE  
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DIVISION OF FAR EASTERN AFFAIRS

JAN 26 1932

JAN 28 1932 January 26, 1932

SECRETARY'S OFFICE

DIVISION OF

Shanghai Situation

*Japanese, Chinese and Foreign Action*

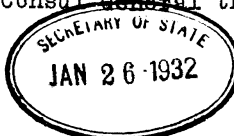
The course of recent events at Shanghai, according to the telegrams received from our Consul General there, has been briefly as follows:

1. Rioting on January 20.

On Wednesday, January 20, Mr. Cunningham reported that during the preceding week there had been several clashes between the Chinese and Japanese, in one of which (on the morning of January 20, just beyond the Settlement limits) one Chinese policeman of the International Settlement was killed and several wounded, also one Japanese was killed and two others wounded. The Japanese member of the Council declared to the Council that the Japanese were in the wrong and no complications as regards the Settlement authorities were anticipated.

On the afternoon of that same day (January 20) a mass meeting, attended by about 12,000 Japanese, was held at which the local Japanese Consul General was denounced for his failure to obtain satisfaction in various local incidents. The crowd then marched through the streets of the Settlement, smashed the windows in Chinese shops and assaulted several Chinese.

Mr. Cunningham reported (on January 21) that the entire police



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JAN 28 1932

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- 2 -

police force of the Settlement was mobilized, and that the Chinese and Japanese members of the Settlement police force were functioning harmoniously. There were no further disorders on that day (January 21) but another Japanese mass meeting was scheduled for January 23.

2. Conferences on January 22.

On Friday morning, January 22, the Chairman of the Shanghai Municipal Council (General MacNaghten, a Britisher) called on Mr. Cunningham and announced that he (the Chairman) intended to call at once on the Japanese Admiral and request the latter to arrange to preserve order at the Japanese mass meeting the following afternoon. General MacNaghten stated that he believed it would be better to have the Japanese handle any emergency that might arise from this meeting, and if there were any shooting to have the Japanese ~~do it~~ <sup>responsible</sup> rather than the Municipal Council.

Mr. Cunningham stated his opinion that the Chairman should consult the Japanese Consul General rather than the Admiral; that if the situation became such that the Municipal Council could not control it, the Council should apply to the Senior Consul for the assistance of all the powers; and that the Municipal Council was better qualified to handle the situation than the

Japanese



- 3 -

Japanese military. The Chairman then stated that he would call first on the Japanese Consul General and then upon the Admiral and ask them to cooperate in preserving order at the mass meeting.

3. The "Ultimatum".

Mr. Cunningham further reports that, according to the press, the Japanese Admiral issued on January 22 a statement to the effect that in case the Mayor failed to comply with the demands of the Japanese Consul General in connection with various anti-Japanese cases the Admiral "would take appropriate steps to protect the rights and interests of Japan" (Mr. Cunningham reported on January 23 that he had received from the Municipal Council a copy of the "Japanese Admiral's statement or so-called ultimatum" and that it was substantially as he had reported it).

4. Call on the Japanese Admiral.

On Saturday, January 23, the Chairman of the Municipal Council, the Secretary General (Mr. Fessenden, an American) and the Japanese Consul General called upon the Japanese Admiral and after considerable discussion "the Admiral agreed that he would take no action in the Settlement without first consulting with the Settlement authorities".

5. Conditions on Monday, January 25.

On Monday, January 25 (5 p.m.), Mr. Cunningham  
reported

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By Milton O. Gustafson NARS, Date 12-18-75

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reported that "the tension over the Shanghai incidents of recent date has been lessened because the Chinese Government has decided to meet the Japanese demands as far as circumstances permit and negotiations are being conducted by the Chinese local authorities in a conciliatory spirit".

In a confidential telegram of the same date, <sup>(rec'd here)</sup> <sub>(last night)</sub> Mr. Cunningham reported that a meeting of the foreign members of the Shanghai Municipal Council, including the Japanese <sup>members</sup> ~~Consul General~~, had decided that morning that no state of emergency existed for the time being. He was reliably informed that the Japanese Consul General had promised that the reply of the Mayor to the Japanese demands would be given to the Council 24 hours in advance of any Japanese action.

*RAH*  
FE: RSM: EJJ

*SCH*

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

THE UNDER SECRETARY  
JAN 27 1932

DEPARTMENT OF STATE

DEPARTMENT OF FAR EASTERN AFFAIRS

Conversation.

January 27, 1932.

RECEIVED

French Opinion on International Affairs

JAN 27 1932

as presented to

SECRETARY'S OFFICE

Mr. Walter S. Rogers.

F/DEM

793.94/3753

Mr. Walter S. Rogers, Director of the Institute of Current World Affairs, a keen observer, has recently returned from a several months trip through Europe, and presented to Mr. Hornbeck and Mr. Blakeslee the following expressions of opinion regarding international affairs.

When in Paris Mr. Rogers had luncheon with a group of influential French journalists, in the course of which he asked them the reason for the practically unanimous pro-Japanese attitude of the French press. After a pause one of the Frenchmen replied "You must be aware that that is a particularly embarrassing question". Later one of the older men said that notwithstanding the obvious reason (subsidies from the Japanese) he thought that Japan had wasted its money; there was no need to buy the French press; it would naturally be pro-Japanese in any case. The Frenchman continued, that in the present psychology of the French people, they had not the slightest interest

JAN 29 1932

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- 2 -

interest in moral rights in international relations or in the rights of minority peoples; they were unable to understand the idealism of America; Japan seemed to them to want Manchuria and simply to have taken it; if the Japanese had done anything else they would have been fools; if France wanted anything she intended to get it now while the getting was good; that this was the <sup>new</sup> ~~due~~ of the French people and of the French Government.

note  
500.C

Mr. Rogers stated further that the League of Nations had been seriously discredited throughout Europe in general and throughout the Near East in particular -- the region in which Mr. Rogers has spent most of his recent time in studying conditions -- by its failure to deal adequately with the Manchurian issue.

*[Signature]*  
GHB/VDM

55  
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By Milton O. Gustafson NARS, Date 12-18-75

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JAN 28 1932  
DIVISION OF  
COMMUNICATIONS AND RECORDS  
JAN 27, 1932.

SHANGHAI SITUATION

Japan Hesitates.

*note 793.94/102-8*

The American Press carried on January 26 headlines and news items to the effect that the American Government was actively concerned with regard to the threatening attitude of Japan at Shanghai; stories to the effect that the Secretary of State had consulted the President and had called in high officers of the Navy Department to confer on that situation. One service carried a story that we were conferring with the British Government and were preparing a stiff "note" to Japan.

On the afternoon of that day the Japanese Chargé d'Affaires called up the Far Eastern Division three times at intervals of about an hour: he first asked if we had anything new on the situation at Shanghai; he then read from what he said was a telegram which he had just received, giving a reassuring message; on the second occasion he read from another telegram giving a more reassuring message; and on the third occasion he read from a third telegram giving a still more reassuring message.

It

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JAN 28 1932

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

- 2 -

It may be inferred that the Japanese Government either (a) is considerably alarmed over evidence of vigorous concern on our part as reported in the press or (b) is attempting again to throw dust in our eyes while and until her naval forces complete such preparations as they may wish to make before executing a coup. -- I am inclined to believe it is the former. If this proves correct, we will have therein a goodly indication of the potential effectiveness of a mere intimation that the American Government is thinking of possible use of force in defense of its rights and its opinions.

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FE:SKH/ZMF

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RECEIVED  
JAN 28 1932  
DIVISION OF FAR EASTERN AFFAIRS  
DIVISION OF  
COMMUNICATIONS AND RELATIONS

January 27, 1932.

SHANGHAI SITUATION

Mr. Secretary:

1932  
24  
In the light of all the information now available, including particularly the nervousness displayed by Japan through the Embassy here yesterday and the news that a dozen or more additional Japanese naval vessels are on their way to Shanghai, I am <sup>now</sup> convinced of the advisability of registering at Tokyo an expression of the concern of this Government.

Notwithstanding the indications that the tension at Shanghai is somewhat relaxed (for the moment), I feel that we cannot assume that the situation there will remain within bounds. Failure on the part of the powers, particularly the American Government, to register a caveat would probably encourage the Japanese to believe that again just as in Manchuria they can act without fear of any real remonstrance from other powers concerned. A polite warning may at least have some restraining effect. It would serve, in the record, to show that we have not been indifferent and that we did not fail to give friendly advice.

A revised draft of a possible telegram of instruction to Tokyo is attached.

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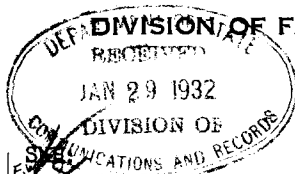
FILED  
JAN 28 1932

SKH

See Miller  
Name  
attached.

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE



January 27, 1932.

RW. →

Referring to your memorandum of January 27, here-  
under, - against the effect which representations to  
Japan on the Shanghai situation would have upon the  
record and public opinion in the United States should  
be weighed the possible effect of such "warning", how-  
ever politely expressed, both in Japan and in China.

In Japan it might, as in previous instances, merely  
stiffen the military element (now the navy) and incite  
them to fresh activities. In China it might likewise  
stiffen the opposition of the Chinese, in anticipation  
of outside sympathy or assistance, and tend to widen  
the scope of the present disturbances and delay a  
settlement of the outstanding issues between Japan and  
China.

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JAN 29 1932

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FE:RSM:EJL



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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

C E E

TELEGRAM RECEIVED

REP

This telegram must  
be closely paraphrased be-  
fore being communicated FROM  
to anyone.

SHANGHAI

Dated January 31, 1932

Rec'd 6:50 a. m.

Secretary of State,  
Washington.

DOUBLE PRIORITY.  
January 31, 2 p. m.

Referring to the Department's telegram of January 30,

4 p. m., I am of the opinion that during the 29th Inter-  
national Settlement was used as a base of operations.  
Technically at the present moment there is considerable  
doubt as to whether this is true. There is no question  
but that in the event of hostilities developing they  
intend to use International Settlement as a base. All  
depends on developments, but the intention to use the  
Settlement as a base is undoubted in my opinion. The  
Japanese occupy the tongue most of which is Chinese  
territory. The Japanese headquarters is on an Extra  
Settlement Road. All landing parties pass through  
Settlement to reach their bases on north Szechuen and  
Gordon Roads, Colonel Hooker, commanding marines informs

me

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note  
893.1028

*[Handwritten signatures and initials]*

F/LS 793.94/3756

FEB 8 1932

FILED

REP

2- from Shanghai, Jan. 31, 2 p. m.

me that there is no doubt that they are using the <sup>Yangtze -</sup>  
(bar?) area  
Poo correct, and Hongkew area as a base, as all Japanese  
landing parties march through this area to the front.

I hope a protest will be made. Repeated to Peiping  
and Nanking.

CUNNINGHAM

WSB

TELEGRAM RECEIVED

REP

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

NANKING

Dated January 30, 1932

Rec'd 12:25 a. m.

Division of  
FOR THE SECRETARY OF STATE  
JAN 31 1932  
U.S. DEPARTMENT OF STATE  
NEWS

Secretary of State,  
Washington.

20, January 30, 6 p. m.

The following telegram has been sent to the Legation:

"January 30, 5 p. m.

My January 29th, 7 p. m.

One. From a Chinese military source, alleged entirely reliable, this office has received the following confidential information: the military airplanes lately sent away from Nanking have now been assembled at an air field about 30 miles from Nanking and are prepared for immediate use. The Nineteenth Route Army which has been fighting the Japanese at Shanghai is demanding that planes be sent to their assistance and they were withheld on January 29 only because departure of planes from Nanking might give Japanese pretext for attacking Nanking, endangering the Government. Moreover, the Chinese wish to restrict fighting to Shanghai area.

Two.  
(GRAY). It is persistently reported that the Nineteenth Army at Shanghai openly stated that it will continue fighting the Japanese despite any orders to desist.  
Chiang

F/LS

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1932

REP

2- #20, from Nanking, Jan. 30, 6 p.m.

Chiang Kai Shek in a personal capacity has issued a circular telegram to all officers and soldiers bitterly criticising the Japanese for committing atrocities at Shanghai after the Chinese had accepted humiliating demands. Telegram states that no more can be endured and that the nation and the race face annihilation. Chiang praises the Nineteenth Army for loyalty and valor and urges officers and soldiers of the revolutionary army to arm themselves and await (?) to preserve the party and nation.

Repeated to the Department."

(END SECTION ONE).

PECK

RR

HPD

FE

TELEGRAM RECEIVED

MAM

793.94  
This telegram must be  
closely paraphrased be-~~FROM~~  
fore being communicated  
to anyone.

NANKING

Dated January 30, 1932

Rec'd 5:36 p.m.

Secretary of State

Washington

20, January 30, 6 p.m. (SECTION TWO)

893.90  
Three. HIGHLY CONFIDENTIAL. Since coding above I  
have called on T V Soong at his request. Replying to  
questions he informed me that Chiang's circular telegram  
was despatched with the full concurrence of Wang Ching Wei  
and all prominent leaders throughout the country with  
possible exception of Canton group. Sung declared unequiv-  
vocally that China henceforth would resist further Japanese  
encroachment with every ounce of military strength. Under  
pledge of secrecy until publicly announced he informed me  
that practically the entire government will very shortly  
remove to a spot less accessible to Japanese attack than  
Nanking. However, Nanking if attacked will be defended to  
the last. He authorized me to inform British Charge d'Af-  
faires under similar pledge. I referred to efforts of the  
League and inquired whether new policy of resistance to  
Japan

mam

2- #20, from Nanking, section two,  
January 30, 1932

Japan would disincline China to accept offered mediation and he replied that China would still welcome it. He said he deeply realized the cost to China in money and suffering of past and future resistance to Japan but nevertheless the discipline would awaken the people. It was already remarkable how insistently the commercial classes in Shanghai, potentially the greatest sufferers, demanded that the Government resist Japan to the last extremity. He said the knowledge that China had abandoned the policy of subservency to Japan for one of vigorous self defense, even though hopeless, had made the leaders and army almost jubilant.

Repeated to the Legation.

PECK

FW

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect

Charge Department

OR

Charge to

\$

This cable was sent in confidence.  
It should be carefully paraphrased  
being communicated to anyone.

P.M. REC'D  
TELEGRAM SENT

Department of State

1-138

TO BE TRANSMITTED

CONFIDENTIAL CODE

NONCONFIDENTIAL CODE

PLAIN

Washington,

January 31, 1932.

JAN 31 32

AMERICAN CONSUL,

NANKING (CHINA)

PRIORITY

Your number 20, January 30, 6 p.m.

You should call upon the Minister for Foreign Affairs

immediately and, as under instructions from the Department,  
inform him that the American Government strongly urges that  
the Chinese Government exercise the utmost forbearance and  
self-restraint in connection with the situation at Shanghai.  
You may say that the American Government is doing its utmost  
to the end that the International Settlement shall not repeat  
not be involved in the dispute between China and Japan, and  
that any ~~troop~~ troop operations against the Settlement  
would be objected to by the American Government and would  
inevitably aggravate an already serious situation.

For your information: We have made strong  
representations in Tokyo.

FE:MMH:LM

mmh

FE

SKH

SKH

Enciphered by .....

Sent by operator ..... M., ..... 19.....

Index Bu.—No. 50.

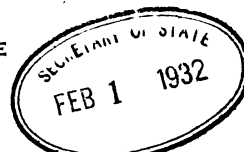
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notes  
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DEPARTMENT OF STATE

THE SECRETARY



January 31, 1932.

MEMORANDUM OF TRANSATLANTIC TELEPHONE CONVERSATION BETWEEN  
SECRETARY STIMSON AND THE RIGHT HONORABLE J. RAMSAY  
MACDONALD AT 12:15 P.M. *at London.*

SECRETARY. Hello Mr. Prime Minister.

MACDONALD. We have had a terribly full day today. We are getting news from hour to hour of the drive from Shanghai.

SECRETARY. Yes, I imagine so. Atherton called me a few hours ago and told me of the situation as you gave it to him and we have acted accordingly. I am sending up the whole Asiatic Squadron from Manila, consisting of one cruiser and the rest of the destroyers. That will reinforce the landing party by about a thousand men, and I got your message about the neutral zone and I have authorized the American forces there to assist in the defense of that zone. I have no information of the agreement except through this telephone message and of course I made it conditional upon that being confirmed by our own people.

MACDONALD. We are still watching it and we have just had another message within the hour saying that there is some difficulty about the neutral zone.

SECRETARY. Well, it occurred to me that it is absolutely necessary that on the one hand the Japanese must agree not to use the Settlement and on the other hand

793.94/3757 1/2

Confidential File



DEPARTMENT OF STATE

THE SECRETARY

- 2 -

hand the consent of the Chinese must be obtained to this neutral zone before we put our people out of it, otherwise we will be in contact with the Chinese and we will be fighting the Japanese instead of the Chinese. We must be very careful.

MACDONALD. Yes, that is a very grave situation. We are keeping our eye upon that. We are trying to avoid it. One of our latest despatches which just came in is that the neutral zone system was warmly supported by the Chinese. The proposition was on the grounds that conditions in that area were so dangerous that they could not use joint protection of the many neutrals there.

SECRETARY. You must be sure that the Chinese agree. You must be sure that the Japanese agree. Both of them.

MACDONALD. Both of them, yes.

SECRETARY. Well, I understand that this conference was participated in by the Commander of the Chinese forces and that he agreed to the neutral zone.

MACDONALD. I understand that the Japanese Consul General has referred to his Government the proposal that the Japanese should evacuate all that area outside the Settlement limits in favor of the neutral forces. That is how it stands at the moment. Just a minute or

DEPARTMENT OF STATE

THE SECRETARY

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two ago we addressed a message to Tokyo presenting to the Japanese Government what the present situation means to all the nations interested in the International Settlement.

SECRETARY. Well, what does that despatch say to Japan?

MACDONALD. It just emphasizes the fact that all this action of theirs is giving us great trouble, great anxiety, putting us to great expense and is putting our people and the other people in the International Settlement to great anxiety and impressing upon the Japanese Government its responsibilities to remove all this from us by coming to an agreement which will finish the fighting, and to be settled by negotiation.

SECRETARY. Have you taken the position perfectly flat that they must stop using the Settlement as a base?

MACDONALD. Perfectly clear. It is as clear as English words can make it. Yes, sir, that is so. As a matter of fact, they have promised to do it.

SECRETARY. I have no promise myself to that effect.

MACDONALD. We had that promise two, ~~maybe three~~, days ago, certainly two days ago. We have made a very careful examination into this. Up to now when a King addressed another King or an Emperor he did it in

a

DEPARTMENT OF STATE

THE SECRETARY

- 4 -

a private letter which did not appear in the newspapers the next day or maybe for fifty years.

SECRETARY. I do not get that. You say that he did it in a private letter and it did not appear in the newspapers?

MACDONALD. It perhaps did not appear for ten, thirty, or fifty years. Now if a King was going to write a letter, it would appear in the papers because it would be a public act and he then would be blamed for any failure that might happen in a situation like this, where the Japanese said no but the Chinese said yes. He would have to stand by the people who stood by the King. We don't want to have our hands ..... quite so much as that. And then there is another thing. If that happened, it would be a perfect ~~storm~~ <sup>indignation</sup> ~~accord of indication~~ against that in this country, because they would say that we have overthrown our constitutional responsibility and placed it on the shoulders of the King. Or if they didn't say that, they would vote to take the responsibility alone and not ask the King to share it with them.....  
..... Therefore, we are very strongly advised that it would be improper for us

DEPARTMENT OF STATE

THE SECRETARY

- 5 -

us to advise him to do that.

SECRETARY. Yes, I rather feared that might be so. There is this to be said on the other side of the general proposition. Here is coming a very possible deadlock. The situation is getting very serious. There is, however, a breathing spell before Japan sends a large expeditionary force. She is worrying over that. She does not want to do it. There is a better chance now of her welcoming such a suggestion after this reverse than at any other time. Now, if there is any better way by which a suggestion coming from our two countries would do it...

MACDONALD. If, on further consideration you think that the President could address this message to the Emperor, I would be perfectly willing to address a similar message or one along the same lines, to our own Minister, and that would not have quite the same effect, but it would much more than a message from the Foreign Office to an Ambassador to be communicated through the Ambassador to a Foreign Secretary. The message I have in mind would be a message I would  
write

DEPARTMENT OF STATE

THE SECRETARY

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write with my own hand and address it to the Prime Minister of Japan, and I would say that the effect would be an immediate effect, and I am willing to do it alone. I have a perfect mind to do it tomorrow, in support of you in every way.

SECRETARY. I did not mean to indicate that we would only do it in case the King did it, but we are simply turning the whole matter over in our own minds, and we realized the difficulties arising from your constitutional situation. And for that reason, I put it up to you to think it over and let me know your feeling. From our standpoint here, there are great advantages in having the President do it rather than the Secretary of State, because he speaks in a peculiar way for the people and under no constitutional disabilities, such as the King.

MACDONALD. Yes, the President is much freer, and if you still decide to do it and if you think it advisable that I should address the Prime Minister on the same lines, I am quite willing to do it, but only to help the situation and the United States policy.

SECRETARY.

DEPARTMENT OF STATE

THE SECRETARY

\* 7 \*

SECRETARY. I will talk that over with the President. He has called a conference this afternoon on the general situation with me. Of course, this immediate situation in Shanghai has occupied our whole attention as it has yours, and it occurs to me that it may seem to be opportune before Japan becomes embarked on a major effort like an expeditionary force, that they be given an opportunity to graciously withdraw.

MACDONALD. Well, that is what we have been trying to do today, and it is a little bit easier, although I would not like to commit myself to that. However, if they would take that neutral section, then we can have a little breathing spell.

SECRETARY. Well, was there any agreement of a truce at all?

MACDONALD. There is.

SECRETARY. That is a more difficult thing. We are working away at it. What I mean is, in case this neutral zone is agreed upon, have you any idea where the Japanese will move to make their base.

MACDONALD. No. That is one of the things we have been working at on a very big scale. We may be work on it all night, but it is impossible to say at the moment.

They

DEPARTMENT OF STATE

THE SECRETARY

- 8 -

They have agreed not to fight at the present moment, but how long that will last, I do not know.

SECRETARY. Both sides, China and Japan?

MACDONALD. Both. If the Japanese Consul General receives an unfavorable report, the Chinese General would then refer to his Government a set of instructions and then send a letter to continue.

SECRETARY. Let me repeat that. If the Japanese Consul General receives a favorable report...

MACDONALD. An unfavorable report...

SECRETARY. If the Japanese Consul General receives an unfavorable report, the Chinese General would then refer to his Government a set of instructions and then send a letter to continue, and this proposition which has been referred to Japan which you speak of, is the proposition for a truce or for a neutral zone?

MACDONALD. The proposition is for a neutral zone. There has been a truce now for about 24 hours.

SECRETARY. Thank you very much. I understand that now.

MACDONALD. I think that is about all we know at the moment. Now when will you let me know your President's

reaction

DEPARTMENT OF STATE

THE SECRETARY

- 9 -

reaction to the suggestion I made?

SECRETARY. Well, I can let you know after the conference this afternoon, probably about ten o'clock by your time, about five o'clock here. In case the decision is unfavorable about going on with that, perhaps I had just better cable you, not telephone. If anything brings up the necessity of a further telephone message, it would be in the neighborhood of nine or ten o'clock tonight. Is that all right? How is that for you?

MACDONALD. I will not be in here between nine and ten, but I could give you a number, or if you would prefer, you could speak direct to Sir John Simon, either Simon or myself.

SECRETARY. Yes, I see. Can you leave word with the telephone people so that if I should call then I could get one or the other of you two.

MACDONALD. I will give you my number. It is Grovener 1616, and if you want to ring up Simon, his is Park 8877.

SECRETARY. All right. Thank you very much.

MACDONALD. My kindest regards to Mrs. Stimson and yourself.

SECRETARY. Thank you very much. The same to you and Isabel.

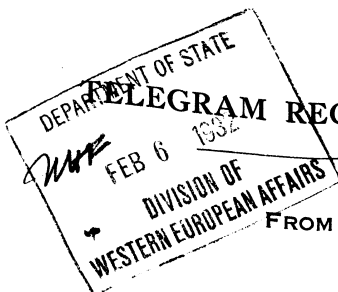
S:BMS



1577

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP



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

AT

FE  
WE

GRAY

London

Dated January 30, 1932

Rec'd 11:15 p. m.

Secretary of State,

Washington.

34, January 30, 11 p. m.

Foreign Office gave out following communique late  
this evening:

893.1028  
393.41  
843.07

"His Majesty's Ambassador at Tokyo informed Japanese  
Foreign Minister today he had received instructions to  
call attention to the fact that the lives and interests  
of British subjects were exposed by the recent Japanese  
action at Shanghai and to protest against the use of  
the International Settlement as a base for attack. He  
also requested the Japanese Government should use every  
endeavor to restore normal conditions at the earliest  
possible moment.

The Japanese Minister for Foreign Affairs gave  
assurance that he fully appreciated the anxiety of the  
British

F/LS

793.94/3758

FILED

FEB 6 1932

REP

2- #34, from London, Jan.30, 11 p. m.

British Government and that everything possible would be done not to endanger British lives and property and that the International Settlement would not be used as a base of attack.

His Majesty's Government has informed the American Government of the instructions sent to Ambassador Lindley and invited them to make the same representations to the Japanese Government.

It is understood from press dispatches that the American Government has taken similar action."

893.00  
In conversation Foreign Office has stated no official credence was given to rumors of declaration of war by China. Foreign Office further stated the British Legation at Nanking reported the Nanking Government had let it be known it would resist any further action by Japan and that from this had undoubtedly arisen rumors of war.

ATHERTON

WWO  
WSB

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM SENT

1-138  
PREPARING OFFICE  
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1-138  
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NONCONFIDENTIAL CODE  
PLAIN

Department of State

Collect  
Charge Department  
OR  
Charge to  
\$

This cable was sent in confidential code.  
It should be carefully paraphrased before  
transmission to anyone.  
Washington,  
January 30, 1932.

*Am*  
AMERICAN LEGATION

PEIPING (CHINA).

35  
Department's 30, January 28, noon  
Confidential for the Minister. For your information.

493.94/A  
One. The Department yesterday received a copy of  
an instruction, of date January 29, sent by <sup>the British</sup> ~~the~~ Govern-  
ment to the British Ambassador, Tokyo, directing the  
Ambassador to protest strongly against action taken by  
Japanese forces at Shanghai and to request Japanese  
Government to restrain those forces.

Two. Ambassador Forbes was last night instructed  
to inform the Japanese Minister for Foreign Affairs  
that, in view of the assurances which had been given by  
various Japanese officials that it was not Japan's  
intention to take unnecessary military action, the  
American Government was at a loss to discover justifica-  
tion for the recent developments at Shanghai; and that  
this Government urged that the Japanese Government cause  
its agencies to desist from a course, which was, resulting  
in additional losses, of, life and property, the further,  
complication, of, an, already, difficult, situation, and,  
apprehension, among the, Governments, and, nationals, having,

Enciphered by .....

interests

Sent by operator M., ..... 19.....

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1929 1-138

793.94/3758A

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-128  
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OR

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## TELEGRAM SENT

1-128

TO BE TRANSMITTED  
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NONCONFIDENTIAL CODE  
PLAIN

## Department of State

Washington,

- 2 -

interests in the region affected.

Three., Repeat substance or text to American  
Consuls General, at Shanghai and Nanking for their  
confidential information.

*Simon*  
*W*

*RAM*  
FE: RSM: EJJ

*m.m.*  
FE

Enciphered by .....

Sent by operator ..... M., ..... 19.....

Index Bu.—No. 80.

U. S. GOVERNMENT PRINTING OFFICE: 1959 1-128

1581

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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Department of State

PM RECD

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Washington

JAN 30 32

January 30, 1932.

AmEmbassy,

London.

TRIPLE PRIORITY. 42

For Atherton.

I shall probably telephone you this afternoon  
at three o'clock Washington time.

Stinson

793.94/37588

U VC/AB

JAN 30 32

Enciphered by

Sent by operator

M.

Index Bu.—No. 50.

PM RECD

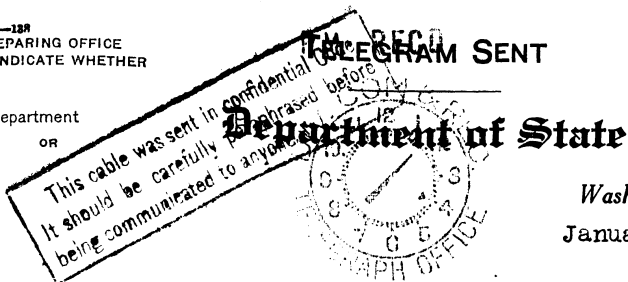
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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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NONCONFIDENTIAL CODE  
PLAIN

Washington,  
January 30, 1932.

AMERICAN CONSUL

SHANGHAI (CHINA).

JAN 30 32

CONFIDENTIAL. For guidance of Minister and Consul General.

Reference Department's 31, January 28, 5 p.m., to  
Legation and Legation's previous.

As events at Shanghai are moving so rapidly, the  
Department is not in position to give specific instruc-  
tions covering possible progressive incidents as they  
may arise and desires that the Minister and the Consul  
General at Shanghai be guided by existing instructions,  
paying particular attention to the Department's telegram  
No. 47 of February 5, 1930, circularized to consular officers  
in China in the Legation's circular No. 7, February 14,  
1930. The Department offers for the consideration and  
guidance of the Minister and the Consul General further  
comment as follows: (a) The Department feels that the  
International Settlement should be ~~administered~~ <sup>regarded</sup> as far  
as possible in the present crisis as an international  
area not repeat not involved in the ~~present~~ dispute  
between China and Japan; (b) The Department feels  
that the Settlement authorities and defense forces

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_, \_\_\_\_\_

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1928 1-138

793.94/3758C

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM SENT

Department of State

Washington,

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NONCONFIDENTIAL CODE  
PLAIN

- 2 -

should confine their activities strictly to the maintenance of peace and order in the Settlement and other areas in which they have hitherto thus functioned; (c) The Department does not desire that the Minister or the Consul General take any action which would deny to the Japanese any right which the American Government might at some time be warranted in undertaking to exercise on behalf of American nationals; (d) The Department desires that the Minister and the Consul General in their conversations and discussions with their colleagues and with Chinese and Japanese officials should attempt to make it clear that our position in the present crisis is impartial, our endeavor being on the one hand to protect the legitimate rights and interests of American nationals and on the other hand to assist toward a settlement by and between the disputants of their differences as soon as possible.

Repeat to Peiping and to Nanking for the Minister, referring to Department's telegram to Legation No. 31, January 28, 5 p. m., paragraph 2, second sentence.

FE:MMH/VDM

Enciphered by

Sent by operator

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1919 1-138

1584

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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Department of State

1-138

TO BE TRANSMITTED

CONFIDENTIAL CODE

NONCONFIDENTIAL CODE

PLAIN

Washington,

January 30, 1932.

JAN 30 32

AMERICAN CONSUL,

SHANGHAI (CHINA).

TRIPLE PRIORITY

It is reported that the Japanese are using the  
International Settlement as a base of operations.  
Please confirm or deny promptly since if this is the  
case I wish to protest to the Japanese Government.

~~W. R. Castle.~~

Stimson  
(H.M.)

U WRC:CBS

Enciphered by .....

Sent by operator ..... M., ....., 19.....

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U. S. GOVERNMENT PRINTING OFFICE: 1928 1-138

793.94/3758D

793.94/A  
note  
893.102-S



585  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

COPY

TELEGRAM SENT

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

January 30, 1932

8 p.m.

AMERICAN CONSUL,  
SHANGHAI, (CHINA).

TRIPLE PRIORITY.

It is reported that the Japanese are using the  
International Settlement as a base of operations.  
Please confirm or deny promptly since if this is the  
case I wish to protest to the Japanese Government.

703 37082

STIMSON

(HLS)

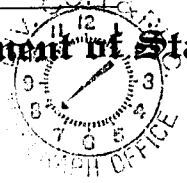
U WRC:CBS

1586  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER  
Collect  
Charge Department  
This cable or carefully paraphrased before  
It should be being communicated to anyone.

TELEGRAM SENT

Department of State



Washington,

1-138  
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NONCONFIDENTIAL CODE  
PLAIN

JAN 30 1932

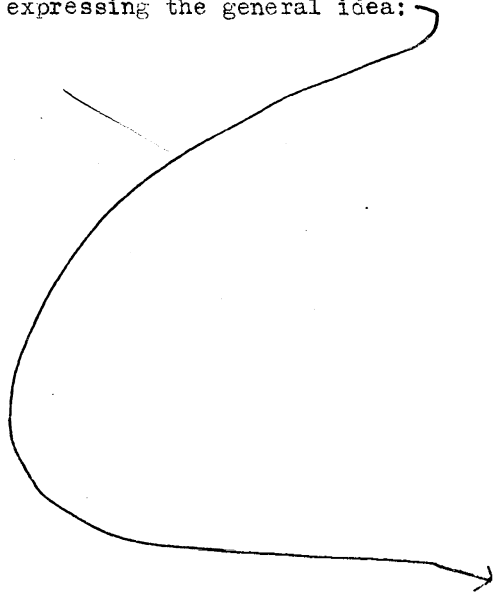
JAN 30 32

793.94/A  
note  
94.0022.5.11.11  
43

AMEMBASSY,  
LONDON, (ENGLAND)

RUSH TRIPLE PRIORITY  
STRICTLY CONFIDENTIAL FOR ATHERTON

Please give the following to the Prime Minister  
as early as possible Sunday morning at 10, Downing Street.  
I have discussed it with him over the telephone this  
evening. Explain to the Prime Minister that this is  
merely a rough draft expressing the general idea:



Enciphered by .....  
Sent by operator ..... M., ..... 19.....

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CONFIDENTIAL FILE

793.94/3758E

1587

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
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Charge to  
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## TELEGRAM SENT

### Department of State

1-138

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Washington,

*Gust* Your Majesty:

The present posture of affairs in China leads me to make a direct appeal to your majesty in what I believe is the sentiment of the people of the United States whom I represent. I have no desire to enter upon the origins of the course of events during the past four months. The assurances given by the Japanese Government as to its ultimate aims and that its action is confined solely to the protection of its citizens and their property, have been accepted throughout the world. We are, nevertheless, on the verge of a great war which I am sure does not represent the peace-loving sentiment of the Japanese people any more than it does the sentiment of the whole world.

The government of China, slowly gaining strength after the weakening of long revolution, has been even more sensibly weakened by events of the past four months, and chaos is rapidly overcoming that 350,000,000 of humanity with its train of infinite misery and death.

I conceive it to be the object of the Japanese government as well as the wish and endeavor of all other governments, to see the rehabilitation and strengthening

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_, \_\_\_\_\_

1-588

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
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## TELEGRAM SENT

### Department of State

1-138  
TO BE TRANSMITTED  
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NONCONFIDENTIAL CODE  
PLAIN

Washington,

of China and the reopening to that nation of the paths of peace and prosperity. No nation in the world can view without anxiety the consequences to all the world and without dismay the prospect of further degeneration of order and further suffering of the Chinese people. The situation is one which must appeal to the sanity and hearts of all the peoples of the world.

With view to contributing to the remedy of this situation I am led to propose to your Majesty and to the Chinese Government that there should be an immediate cessation of all hostilities and all hostile action and that negotiations should at once be established between the Chinese and Japanese governments for the settlement of their outstanding controversies, that such negotiations should be entered into without reservation on either side and conducted in the spirit of the pact of Paris to which we are all signatory, and that in order to assure both sides that (these negotiations shall be conducted in the spirit of) that pact may I suggest that some minority of representatives of the other governments of the world should participate in such negotiations. The purpose of

Enciphered by .....

Sent by operator ..... M., ..... 19.....

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U. S. GOVERNMENT PRINTING OFFICE: 1959 1-138

1 589

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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PLAIN

Collect  
Charge Department  
OR

Department of State

Charge to  
\$

Washington,

these negotiations to be not alone the solution of the  
outstanding controversy but as a part of such solution  
the strengthening of the Chinese government and the  
saving of its people from the abyss with which they are  
faced. *End quote.*

*Stimson*  
(HK)

S: HKS.

Enciphered by .....

Sent by operator ..... M., ....., 19.....

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U. S. GOVERNMENT PRINTING OFFICE: 1928 1-138

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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WILL INDICATE WHETHER

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OR

Department of State

Washington, January 31, 1932

Charge to  
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AMEMBASSY

TOKYO (Japan)

URGENT AND CONFIDENTIAL.

FOR FORBES FROM STIMSON.

This cable was sent in confidential code.  
It should be carefully paraphrased before  
being communicated to anyone.

The information received from Shanghai indicates that the situation there has become increasingly serious and that, in spite of protests that have been made and the assurances that have been given, the Japanese continue to move armed forces through the Settlement and to use the sectors of other nations for both offensive and defensive purposes thereby violating the status of the Settlement and endangering the lives and property of the inhabitants of the Settlement. From the foregoing it is evident that the assurances thus far received by you and by your British colleague in this respect are not being observed.

I desire that you again make urgent representations to the Minister for Foreign Affairs concerning this situation. State that the American Government feels that Japanese authorities should refrain absolutely from use of the Settlement in any way as a base or channel for activities of their armed forces of any character except those that are used exclusively for the protection of the Settlement. If

Enciphered by .....

the

Sent by operator ..... M., ....., 19.....

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U. S. GOVERNMENT PRINTING OFFICE: 1929 1-138

793.94/3758F

793.94/31  
note  
893.1028

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-128  
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## TELEGRAM SENT

### Department of State

1-138  
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NONCONFIDENTIAL CODE  
PLAIN

Washington,

-2-

the answer you receive is not entirely satisfactory I desire  
you to enter a serious and energetic protest.

It is my understanding that British Ambassador at Tokyo  
has been instructed to the same effect.

*Stinson*  
*Stinson*

*Antony +*  
*initiated by*  
*Security +*  
*G.K. by Mr. Castle*  
FE:RSM:  
*Stinson*

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_,

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U. S. GOVERNMENT PRINTING OFFICE: 1959 1-138

1 1592

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
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Charge Department  
OR

Charge to  
\$

URGENT

Department of State  
This cable was received by the Department of State on January 31, 1932.  
It should be noted that the cable is being communicated to the Department of State.

Washington, January 31, 1932  
10

AMERICAN EMBASSY

Tokyo, Japan

JAN 31 32

For your information.

713 94/233  
note  
81130 A.F.  
812 0146  
92 1025  
11 423  
393.11

One. Navy Department has ordered Admiral Taylor, Commander in Chief United States Asiatic Squadron, Manila, to proceed on flagship Houston with available destroyers to Shanghai. 4 / Two. Department wishes it to be understood that ship movements and American action involve and imply no repeat no threat to anyone but are measures of precaution for ensuring safety of American lives and legitimate interests and fulfilling our responsibilities in general at Shanghai and other exposed ports in the Yangtze and elsewhere in China.

793.94/37586

Stinson

Stett

FE/SKH

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_

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111593

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

Sent to British Ambassador  
II-2-32.

PARAPHRASE

S.K.H.  
744

Telegram from Secretary of State  
to the American Ambassador, Tokyo,  
January 31, 1932. 127589.

The reports from Shanghai indicate the increasing seriousness of the situation and that, notwithstanding previous protests and assurances, the movement of Japanese armed forces through the Settlement continues as does also the use by the Japanese forces for purposes both of offense and defense of sections allotted to other nationalities, thus violating the status of the Settlement and jeopardizing the lives of its inhabitants. From this it appears that the assurances in this respect received by your British colleague and yourself are disregarded.

Please again represent urgently to the Minister for Foreign Affairs that your Government is of the opinion that the Settlement should not be used by the Japanese authorities in any way as a base for the activities of their armed forces except such forces as may be employed solely for the Settlement's protection. Should you not receive an entirely satisfactory reply to your representations you should seriously and strongly protest.

I understand that your British colleague has received similar instructions.

793.94/37586

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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PM REC'D  
TELEGRAM SENT

Department of State

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NONCONFIDENTIAL CODE  
PLAIN

Washington,  
January 31, 1932.

AMCONSUL

SHANGHAI (China).

TRIPLE PRIORITY.

Department understands, that, Commander, Chinese, Nine-  
teenth, Route, Army, has asked, Mayor, to demand, that, Settle-  
ment, authorities, disarm, Japanese, Marines, in, Settlement,  
failing, which, he, threatens, to try, to drive, Japanese, out  
of, Settlement to ships. Also, that, defense committee,,  
including, Japanese, Chief of, Staff, of landing forces, has  
considered, situation; that, Settlement, authorities, have  
asked, Japanese, to cease, moving, armed, forces, through,  
Concession, to cease, armed, patrolling, of, United States,  
sector, and, patrolling by, armed, Japanese, civilians, and to,  
reduce, forces, around, Japanese, mills, in, northern, United  
States, sector. Also, that, proposal, was made, to establish,  
reserve, line, east, and, west, and that, it is, intention of,  
American, Command, if, American, neutrality, is jeopardized,  
to occupy, position, on that, line, and, turn, portion, of  
sector, north of that, line, containing, Japanese, mills, over  
to Japanese.

Enciphered by .....

Department

Sent by operator ..... M., ..... 19.....

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U. S. GOVERNMENT PRINTING OFFICE: 1925 1-138

F/DEW 793.94/3758H

793.94/A  
note  
893.102S

31  
JAN 30 32

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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Department of State

Washington,

1-138  
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NONCONFIDENTIAL CODE  
PLAIN

- 2 -

Department has just been informed from London that there is a proposal to establish a neutral zone outside of the Settlement and that knowledge of this Government's attitude in reference to cooperation in relation to that project is desired. If there is such a project and if you consider it practicable and approve, Department authorizes American cooperation. To this extent Department's previous instructions are amended.

Department on basis of its understanding of these developments and arrangements, approves in principle. Department feels that every reasonable effort should be made to induce Japanese to refrain from any use of the Settlement by their regular armed force and to disarm all their regular civilians not in Settlement volunteer forces. If neutral zone is established, agreement to respect it should be secured from Japanese military authorities as well as Consul General.

Chinese authorities should be informed that any military activities on their part involving violation of defense lines of Settlement will be objected to.

Orders have been given to Admiral Taylor, Manila, to proceed with cruiser and destroyers to Shanghai.

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_, \_\_\_\_\_

Department

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect  
Charge Department  
OR

Charge to  
\$

## TELEGRAM SENT

Department of State

1-138  
TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Washington,

- 3 -

Department wishes it to be understood that this involves  
*repeat no* no threat but is a measure of precaution for ensuring  
safety of American lives and legitimate interests and  
fulfilling our responsibilities *in general* at Shanghai and at other *Secret*  
exposed ports in the Yangtze and elsewhere in China.

*Stinson*

*Stinson*

FE:SKH/VDM

*FE 7/1 7/1 7/1*  
FE

Enciphered by .....

Sent by operator ..... M., ..... 19.....

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1959 1-138

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 893.00 P.R. Shanghai/43 FOR #8071  
FROM Shanghai ( Cunningham ) DATED Jan. 7, 1932  
TO NAME 1-1127 o.p.o.

REGARDING: mass meeting of Chinese civic bodies on Dec. 13th,  
at the Public Recreation Ground.

1s

793.94/3759

0598

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

REPORT ON THE 1950 DEMONSTRATIONS

193.94

The anti-Japanese and anti-government demonstrations of students and others provided an excellent screen under cover of which communists could work and they were not slow to take advantage of their opportunities in this regard. A mass meeting was held on December 15th, under the auspices of some fifty Chinese civic bodies at the Public Recreation Ground in Hanoi and a parade followed at the conclusion of the meeting. In which radical and communist elements injected speeches and communist slogans were shouted and communist literature distributed. The parade marched to the National Assembly headquarters, which was closed and unoccupied. After an unsuccessful attempt to gain admittance the crowd proceeded to smash the windows of several houses, shops and private automobiles. No interference was offered by the police until the crowd

-12-

reached one of the sub-police stations, where they were eventually dispersed by a squad of armed police, who had been rushed to the scene. At that time the Bureau of Public Safety was in charge of a subordinate who was naturally very loath to take responsibility in the matter. At a subsequent period and demonstration of students on December 17th strict precautions were taken and additional police were posted at all important places. In addition a body of soldiers was detailed to keep order at the Chinese University of Science.

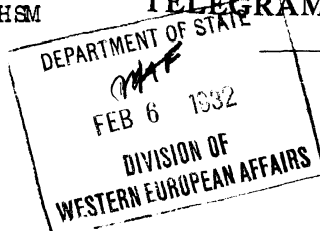
It is reported that General Yang Yen-ta (杨演达) ex-commander of the Third Red Army Corps and an alleged prominent Communist leader, was arrested in the International Hotel on August 17, 1931, and executed at Nanjing on December 19th. According to press reports, prior to his execution General Yang made a full confession of his activities and declared he was not a Communist.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

HSM

TELEGRAM RECEIVED

GRAY AND GREEN

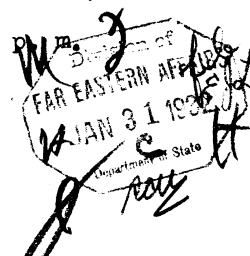


FROM

Geneva

Dated January 30, 1932

Rec'd 4:09 p.m.



F/DEW

793.94/3760

Secretary of State,

Washington.

57, January 30, 3 p. m.

Consulate's 55, January 29, 8 p. m.

One. At the public meeting of the Council just

concluded Drummond submitted proposals to obtain

information on the spot with regard to the Sino-

Japanese dispute in general and Shanghai in particular.

With regard to the latter he proposed that "those

governments represented on the Council other than the  
parties to the dispute, which have official representa-

tives who were at Shanghai during the period when these

took place should instruct such officials to form a

committee to send me a report for consideration by the

Council on the incidents themselves--their cause and

development." He also desired permission to invite

other persons holding similar positions to serve. In

view

793.94  
note  
501.112  
793.94 Comm.

FEB 6 1932

FILED



#57, January 30, 3 p. m. from Geneva

-2-

view of what had already been done he did not propose any further measures for the moment.

Two. Yen then noted with satisfaction the proposal of Drummond and then went on to add that the Chinese Government had not invoked Article 15 solely because of the Shanghai incidents but that this invocation would have taken place with or without their occurrence. He expressed the hope that he would soon be able to report to his Government on the measures that the Secretary General proposes to take under Article 15 with regard to the occupation of Manchuria.

Three. To this Drummond replied that his duty under Article 15 is confined to making the necessary arrangements for a full investigation of the dispute but not to propose measures to settle it. He stated that he had no idea of dissociating the events in Shanghai from the rest of the question but he considered the measures already taken in Manchuria as sufficient. There then followed declarations on the part of representatives of France, Italy, Great Britain, Germany and Spain to the effect that they agreed to the proposals

#57, January 30, 3 p. m., from Geneva

-3-

proposals of the Secretary General and that their representatives in Shanghai would be instructed accordingly.

Four. Sato thereupon presented again the Japanese position regarding the proposal of the Secretary General for a commission in Shanghai. His arguments may be summarized to the following effect:

(a) Japan has not violated Article 10 of the Covenant which would only occur in the event of occupation in a permanent sense and it has been repeatedly announced that Japan has no territorial aims in China.

(b) The Council has explicitly recognized the right of Japan to protect its nationals, which right has been exercised in self-defense. Furthermore if the Council thought that Article 10 had been violated by Japan it would not have allowed the Japanese to act as it has in order to protect lives and property in Manchuria.

(c) The same reasoning applies to the incidents at Shanghai where the sole object has been to defend

Japanese

#57, January 30, 3 p. m., from Geneva

-4-

Japanese nationals.

(d) As regards China's invocation of Article 15, while Japan has no desire to prevent any member of the League from exercising its rights under the covenant, it remains with the Council to consider whether it is advisable to accept the request that this right be exercised. Referring to the Council resolution of 1927 which was quoted by Boncour yesterday in support of the view that procedure taken under Article 11 is not exclusive of procedure taken under other provisions of the covenant, Sato held that the exact meaning of this resolution is that while recognizing that procedure under Article 11 is not incompatible with procedure under Article 15 the Council is free to decide as to the advisability of applying the two procedures simultaneously.

(e) With regard to the opinion of the Committee of Jurists in 1924 which was also quoted by Boncour yesterday, Sato held that the exact interpretation is to the effect that "the Council is not bound to consider whether a dispute is likely to lead to a

rupture

#57, January 30, 3 p. m., from Geneva

-5-

rupture, but has the right to consider this point if it thinks it advisable to do so."

(f) Sato reiterated that a very bad impression will be created in Japan if the Council decided on question of such great hopes in so precipitate a fashion.

Five. Replies to the Japanese were made in the debate which followed by Cecil, Marinkovitch, Zulueta and Boncour and may be summarized as follows:

(a) With regard to the Japanese argument to the effect that Article 10 applies only to a case where there is intention to annex permanently territory of another country, it is not for the Council to express any opinion as to the events in Manchuria until the report of the Commission is received.

(b) The resolutions of the Council cannot be described as permission to Japan to take action to defend its nationals in Manchuria but rather that the Council recognized that the obligation to withdraw was dependent upon the safety of Japanese nationals. Furthermore it was recalled that under the obligation set forth in paragraph two of the resolution of December 10 both parties

#57, January 30, 3 p. m., from Geneva

-6-

parties were bound to avoid any action which would lead to a recrudescence of fighting between Chinese and Japanese troops or a further aggravation of the situation. It will be for the Commission of Inquiry to ascertain whether the Japanese have complied with that resolution.

(c) The provisions of Article 15 are quite clear and that in order to bring any matter before the Council under this Article all that is necessary is that one party to the dispute should bring the matter to the notice of the Secretary General who automatically is required to make all necessary arrangements for a full investigation. There is no question of discretion on the part of the Secretary General to agree or to refuse to make an investigation.

(d) Under Article 15 the Council has no power to make the reply that it could not act thereunder because the matter was already the subject of investigation under Article 11. Referring to the observations of the Committee of Jurists in 1924 the only case in which the Council is free to refuse to adopt the procedure under

Article 15

#57, January 30, 3 p. m., from Geneva

-7-

Article 15 is where there has been an acceptance of arbitration which is clearly not the case in the present circumstances. Article 15 extends a valid right to every member of the League. It is a right that enables any member to bring a matter before the Council even being able to decide whether or not it will consider it advisable. The procedure is quite definite and categorical and the Secretary General may act immediately even without reference to the Council.

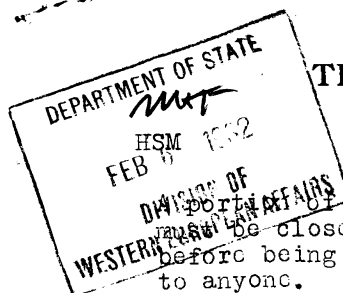
(c) The inquiry by the Secretary General in no way prejudices the decision of the Council.

Six. Sato then referred to a dispute between Finland and Great Britain which was also under the consideration of the Council this morning and stated that if the Council were consistent it would automatically apply Article 15 in that case. The reporter on this question thereupon stated that the Finnish claim against Great Britain was based upon the Covenant but without striking out reference to Article 15. Cecil also declared that a country which wished to appeal under Article 15 must assert that the dispute is likely to lead to a rupture and that has never been asserted by the Finnish Government.

GILBERT

KLP-WWC

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lutz NARS, Date 12-18-75



## TELEGRAM RECEIVED

Geneva

Dated January 30, 1932

Rec'd 8:53 p.

FROM  
this telegram  
must be closely paraphrased  
before being communicated  
to anyone.

Secretary of State,  
Washington.

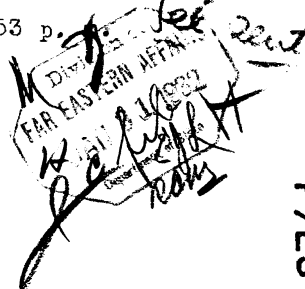
59, January 30, 6 p. m.

(GREEN). One. Drummond this afternoon handed me the  
following aide memoire dated January 30:

"The British, French, German, Italian, Norwegian  
and Spanish Governments are instructing their official  
representatives who were present at Shanghai during the  
recent events there and in the neighborhood to form a  
committee to send to the Secretary General a report for  
consideration by the Council on those events, their  
causes and development. The formation of such a committee  
would allow information with regard to the incidents  
to be obtained on the spot and without delay.

This committee is a new emergency committee distinct  
from the original commission. It would not be expected  
to travel nor its creation in any way affect the mandate  
of the original commission. In view of the gravity of  
the situation and the cooperation already extended by  
the United States in this matter I have the honor to ask  
if your Government would be prepared to give similar  
instructions

FEE  
WE



F/LS

793.94/3761

FILED

793.94  
note  
793.94 Comm.  
500.C112

#59, January 30, 6 p. m. from Geneva

-2-

instructions to their representative so that he may cooperate on the above with the representatives of the powers indicated above.

This request is put forward with the full agreement of the other cooperating states." (END GREEN).

Two. At the same time he handed me the foregoing he requested that you be good enough to permit him to "withdraw" his communication of January 29 which I transmitted in my No. 52, January 29, 1 a. m.

Three. As I indicated in my No. 53, January 29, 3 p. m., various elements in the situation here were very much confused at the time Drummond's communication of January 29 was given me. This is in my opinion reflected in the communication itself which I believed was prepared in too great haste but in the hope that could an early intimation be obtained from the United States of its willingness to causing the contemplated investigations at Shanghai that project would thereby receive support and encouragement.

Four. As will be noted from the Consulate's 57, January 30, 3 p. m. in the session of the Council held this morning the discussion chiefly turned on an interpretation of the technical situation created by Chinese appeal under Article 15 particularly in its relationship to China's appeal already taken under Article 11 of the Covenant. It will be observed that Japan offered many juridical



#59, January 30, 6 p. m., from Geneva

-3-

juridical objections to action which the Council desired to take. It appeared, however, that these objections were not regarded as valid by the other members of the Council.

Five. If I may venture to discuss what I consider the crux of the situation at issue in so far as the United States is concerned, I would say that it rested on a certain basic difference between Article 11 and Article 15 in that Article 11 envisages the consent of both parties to the dispute in any action taken thereunder while Article 15 contemplates action by the Council to which the consent of the disputants is not essential. The relationship of the foregoing to the authority under which the Manchurian Commission is acting and under which the proposed Shanghai Committee will act and to the constitution, powers and functions of these respective bodies is, I think, evident. As the discussion in the Council had today seemed to reach a point where the opinion of the Council in these matters had become clarified I, this afternoon, asked Drummond certain categorical questions. In his replies he stated that he was expressing not only his own position but that of all the members of the Council except perhaps Japan. The information which I derived from Drummond is as follows:

(A)

#59, January 30, 6 p. m., from Geneva

-4-

(A). Articles 11 and 15 may be operative concurrently without prejudice to either.

(B). From the foregoing it follows that action may be separately under each article in relation to the same dispute, action taken under one article being without prejudice to action taken under the other.

(C). The activity of the Manchurian Commission of Inquiry is and will continue to be under Article 11 and will have no reference to Article 15.

(D). The Shanghai Committee will act under Article 15 and will have no reference to Article 11.

(E). The difference in function between the Manchurian Commission and the Shanghai Committee is that the former may concern itself within its competence with the more fundamental aspects of the question while the latter is purely fact finding.

Five. I would appreciate instructions as to the reply to be made to Drummond's aide memoire quoted under paragraph one above.

GILBERT

FW

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

GRAY

TELEGRAM RECEIVED Shanghai via N. R.

Dated January 30, 1932

FROM

Rec'd 11:38 p. m.

Secretary of State,  
Washington

January 30, 6 p. m.

My telegram of January 29, 6 p. m.

The Chinese members of the Shanghai Municipal Council have addressed an identic protest to the Senior Consul and the Chairman of the Municipal Council. The Government calls attention to the fact that in accordance with the state of emergency the Council should call upon Japanese to occupy a certain sector to preserve "peace and order in Hongkew District. It is most regrettable that the Japanese in pursuing their hostile ruin have made use of the District, the safety and good order of which they are under obligation to safeguard as the base of their operations. Such action of the Japanese constitutes a grave violation of the neutral character of the Settlement and should therefore be immediately

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

RECEIVED  
FEB 1 1932  
U.S. DEPT. OF STATE

F/DEW

793.94/3762

FILED

FEB 6 1932

793.94  
note  
8-43.1025

REP

2- from Shanghai, Jan. 30, 6 p.m.

be immediately checked". They request that all effective measures to put an end to such undesirable state of affairs be taken and that the attention of the Japanese authorities be directed to their responsibility for having violated the neutrality of the Settlement.

Two. The greatest contribution which could be made toward the return to normalcy is the prevention of the Japanese from using the Settlement as a base for operations and preventing them from acting independently in the sectors for the protection of other nationals.

Three. I desire to express the opinion that official pronouncements in Washington in regard to the preserving of International Settlement in its international boundaries and also that it should not be invaded or used as a base is exceedingly helpful. Reuter carries a statement dated Washington the 28th which is believed by officials as of such character as to cause those intending to invade the Settlement without authority to fully consider the matter before taking any  
action

151  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REF

3- from Shanghai, Jan.30, 6 p.m.

action. Frequent statements of this nature, it is  
believed, will be helpful.

Repeated to the Legation.

CUNNINGHAM

KLP

WSB

11 1614

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

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

GRAY

TELEGRAM RECEIVED Shanghai via N. R.

Dated January 31, 1932

FROM

Rec'd 6:45 a. m.

793.94  
note  
893.1025

Secretary of State,

Washington.

DOUBLE PRIORITY.  
January 31, 5 p. m.

THE UNDER SECRETARY

FEB 2 1932

DEPARTMENT OF STATE

Referring to my telegram January 31, 5 p. m.,

definitions: "tongue" should be understood in telegrams to mean that part occupied by Japanese chiefly in Chinese territory. It starts from a point at junction of Jukong and north Szechuan Roads and follows the former west to the railway running to Wocsung, thence northeast with the railway to Sawgin creek north of Hongkew Park following Sawgin creek to Settlement boundary at Sawgin Road. "Municipal property and road" in the tongue means Hongkew Park and municipal owned extra - settlement roads in the tongue. The Japanese also occupy Yangtzepoo and Hongkew areas in the settlement.

Repeated to Legation and Nanking.

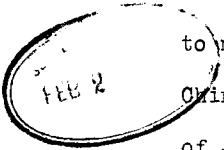
CUNNINGHAM

WSB

F/LS  
793.94/3763

FILED

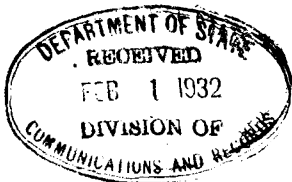
FEB 5 1932



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

GRAY



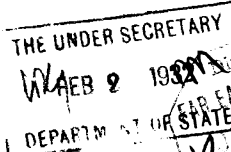
TELEGRAM RECEIVED

Dated January 31, 1932

FROM

Rec'd 8:40 a. m.

Secretary of State,  
Washington.



PRIORITY.

164, January 31, 5 p. m.

FEB 2 - 1932

SECRETARY'S OFFICE

Following telegram has been sent to Shanghai:

January 31, 5 p. m.

One. Your January 30, 4 p. m., and January 30,

6 p. m., clearly indicate that it is your view as well

as that of the Chairman of the Municipal Council that

the Japanese are using the Settlement as a base of

operations. It also appears that Japanese troops are

operating independently and not in accordance with the

general defense plan agreed upon and thus creating a

particular danger that the troops of other nationalities

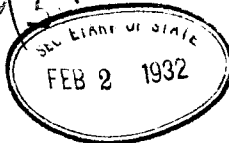
stationed in their respective sectors may become

embroiled in some of the Japanese clashes.

Two. In the opinion of

the Legation

793.94  
note S  
892.102



F/LS  
93.94/3764

FILED

FEB 6 - 1932

11 0616  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

2- #164, from Peiping, Jan.31,5 p.m.

the Legation the action of the Japanese, as described in your telegrams, tends to break down the neutrality of the Settlement and to afford to the Chinese good ground for complaints of discrimination against them. In these circumstances the Legation believes that the consular representatives would be wholly justified in bringing these considerations to the attention of their Japanese colleague and urging a prompt discontinuance of all courses of action adversely affecting the Settlement's integrity. See Legation's January 30, 5 p. m.

Repeated to the Department.

FOR THE MINISTER

PERKINS

WSB

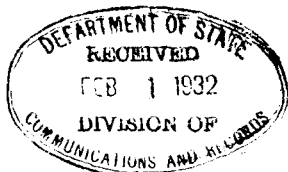
KLP



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

TELEGRAM RECEIVED <sup>PLAIN</sup>



Nanking

FROM

Dated January 30, 1932

Rec'd 31st, 2:44 a. m.

Secretary of State,  
Washington.

21, January 30, 12 p. m.

Following is a translation of a note addressed to  
the American Minister and handed to me January 30, 11 p.m.  
with request that it be transmitted as soon as possible to  
Department. Chinese Foreign Office has released this  
translation of text to press:

"January 30, 1932. Monsieur Le Ministre, since the  
unprovoked Japanese military occupation of Mukden on  
September 18, 1931, Japan has been continuously pursuing,  
in the three Eastern provinces and the other strategic  
centers of China, her aggressive and positive military  
policy and has now even invaded Shanghai, the inter-  
national trade center of China. On January 28 at 1:45  
p. m. the reply of Mr. Wu Tieh Chen, the mayor of Greater

Shanghai,



F/LS 793.94/3765

FILED  
FEB 4 1932

793.94  
note  
892.112  
793.94/3765  
500.0  
293.00  
500.042

893.1028

REP

2- #21, from Nanking, Jan. 30, 12 p.m.

Shanghai, in reference to the four demands of Japan, was accepted by the Japanese Consul General with satisfaction; but at midnight of the same day, Admiral Shiosawa, commander of the Japanese Overseas First Squadron, delivered an ultimatum to the Shanghai municipality demanding the immediate withdrawal of the Chinese troops for the occupation of the Japanese forces; at the same time the Japanese military forces took the initiative, rushed into Chapei district and attacked the Chinese troops with machine guns, and since then have been directing their attack continuously up to the 29th. Over 20 Japanese planes bombarded incessantly and indiscriminately along Chapei, the thickly populated district of Shanghai causing the said district to be in a state of conflagration and resulting in the killing of countless civilians. Furthermore, the local administrations, transportation facilities, the Chinan University, the commercial press, various cultural organizations and principal commercial enterprises have all been totally or partly destroyed.

Up to

REP

3- #21, from Nanking, Jan. 30, 1937 p.m.

711.0012  
Anti-Japan  
5-00.2

Up to this moment they are still carrying on their hostile actions in flagrant violation of the Nine Power Treaty of 1922 as well as the Briand-Kellogg Anti-War Pact and the covenants of the League of Nations and in utter disregard of the various resolutions adopted by the Council of the League of Nations.

393.00

Such actions not only place the lives and properties of all nationals residing in Shanghai in great danger but also constitute a direct menace to the very foundation of humanity and civilization. It is obvious that Japan should bear the entire responsibility.

The Chinese Government, by observing the resolutions of the League Council, has been exercising great restraint and toleration under various provocative and hostile actions, but Japan, disregarding our forbearance, suddenly instructed their marines to attack Shanghai and menace our National Capital. In deliberately aggravating the situation by military action on the part of Japan, the Chinese authorities are compelled to take necessary measures of self defense and for the upholding of her sovereign rights.

With Shanghai

162  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lutefson NARS, Date 12-18-75

REP

4-#81, from Nanking, Jan. 30, 12 p.m.

500.64d  
With Shanghai in such a critical situation, the other places of China can be placed in great peril at any moment. Japan's violation of the Nine Power Treaty is impairing the sovereignty and independence as well as the territorial and administrative integrity of China. As your Excellency's Government is the sponsor of the said treaty I have the honour to urgently request that you will cable Your Excellency's Government to observe their solemn pledges and obligations, of the said treaty by adopting prompt and effective measures in order to prevent further Japan's military actions within Chinese territory and all other such acts on her part as are in violation of the said treaty so that its sanctity may be preserved and peace in the Far East maintained.

I avail, et cetera, Lo Wen Kan, Minister of Foreign Affairs."

Repeated to Legation.

PECK

JS

REP

A portion of this telegram must be paraphrased before being communicated to anyone.

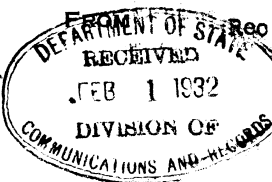
Dated January 31, 1932

Secretary of State,  
Washington.

31, January 31, 9 p. m.

Complying with your telegram No. 28, January 29,  
midnight.

After conferring with Sir Francis Lindley I called upon the Foreign Minister at four thirty just after the British Ambassador left, and I was followed by the French Ambassador. The interview took about an hour and a half. I gave him your message with duplicate, <sup>paraphrase</sup> at ~~(2) p. m.~~ <sup>few points.</sup> The gist of this message had been telegraphed from Washington to the press here before the Embassy had decoded the telegram. I understand that Sir Francis <sup>left a</sup> ~~written~~ <sup>(2) (2)</sup> protest against the use of the Settlement as a base for military operations after assurance had been given by the Japanese naval officers that that would not be done. Before the delivery of my message (GRAY) Mr. Yoshizawa made a long statement of facts to clarify the Japanese



F/DEW  
793.94/3766

FILED

793.94  
893.102-S  
893.94  
393.115-Radio  
with transmission

REP

2- #31, from Tokio, Jan. 31, 9 p.m.

the Japanese position substantially as follows:

He claims (one) that collaboration has been maintained in Shanghai with the Municipal Council and with the foreign military and naval authorities; (two) that the clash between the Chinese and Japanese forces bore no relation to the acceptance by the Chinese mayor of the Japanese demands; and (three) that the Japanese marines took up positions in a sector allotted to them in accordance with joint defense arrangements.

Supporting the first, he stated that on the 25th the Municipal Council decided its own initiative to close the Chinese newspaper, the MINKOU PAO and also decided to close the headquarters of the anti-Japanese society. On the 26th the Municipal Council did close the paper, and the Japanese Consul General was given to understand that the Municipal Council of Shanghai would help the Japanese if they were going to close the headquarters of the anti-Japanese society. The Japanese informed the Municipal Council of the steps that they proposed to take to accomplish this purpose, and the details were discussed by the Japanese Navy and the Shanghai

REP

3- #31, from Tokio, Jan. 31, 9 p.m.

Shanghai municipal police. On the 27th the Japanese Consul General in person or through an intermediary explained the position of the Japanese to the American and British Consul Generals and informed them of contemplated steps. On the same day the commanders of the foreign military and naval forces met and determined a plan of joint defense of the Settlement.

In support of number two he stated that the Chinese Mayor accepted the Japanese demands at 3:15 p. m. on the 28th, and the Japanese Consul General and naval decided to watch how the Chinese were planning to carry out the undertakings requested by the demands.

On that evening the situation became more serious he said and a large body of people assembled near the Mayor's office. Wild rumors circulated and the Chinese guard at Chapai fled. The Municipal Council at four o'clock that afternoon declared a state of siege (Yoshizawa's expression). In consequence the Japanese commander distributed his forces to protect nationals at Chapai.

At midnight

REP

4- #31, from Tokio, Jan. 31, 9 p.m.

At midnight while they were proceeding on the North Szechuan Road the Chinese troops suddenly opened fire and the Japanese marines, as he puts it, were then obliged to retaliate. Many Chinese in plain clothes participated.

In support of number three he says the marines took their positions in the sector allotted to them at the meeting of commissioners of the foreign forces in the interests of joint defense of the Settlement. As a result of the efforts of the American and British Consul Generals, an armistice was agreed upon, to be operative from eight o'clock in the evening of the 29th. Despite this arrangement Chinese troops using armored trains opened fire on the morning of the 30th. Shells fell in the area of the Settlement where there were many Japanese residents. He charges that the Chinese

are bringing up as reenforcement the 19th and 3rd divisions of the guard under orders of General Chiang Kai Shek and that in the vicinity of Shanghai a concentration has been completed, that four companies of aeroplanes are being transported to Nanking destined to Soochow and

it is



REP

5- #31, from Tokyo, Jan. 31, 9 p. m.

it is reported that he is planning to bring up other reinforcements in case of necessity. The Chinese are said to be contemplating taking the offensive when these reinforcements are completed. This action is incompatible with their attitude at Geneva. If these reinforcements come up a situation of the gravest nature will be created and Mr. Yoshizawa says the Japanese navy may be forced to cut the railroad and to consider sending land troops to Shanghai.

He expressed appreciation of the good offices of the American and British Consuls General toward stopping hostilities and he requests that the United States use its good offices to induce the Chinese troops not to bring up further reinforcements and to withdraw the troops now in Shanghai to a safe distance to avoid clashes. He made the definite statement that it was not the desire of the Japanese to send any further reinforcements or to send land troops.

He <sup>then</sup> quoted a message from Debuchi quoting your comments to him charging the Japanese with wanton firing, dropping bombs, et cetera. He went on to say that if the facts

REP

6- #31, from Tokio, Jan.31, 9 p.m.

facts are as represented to you your conclusions are absolutely logical and unanswerable, but there seems to be a notably wide divergence of facts as reported to you and him. He said he would like to see the reports upon which you base your deductions and expressed entire confidence in Mr. Cunningham. He said that unfounded rumors were sent out from Shanghai but admitted that in the heat of the clash some blunders may have been committed.

893.74  
In regard to the wireless station at Chenju he had asked the Minister of the Navy who communited with Shanghai and received a report that the Japanese had not interfered with it in any way nor operated in its vicinity.

At the end he laid especial stress upon his request that we use our good offices to induce the Chinese not to move up their troops.

FORBES

WSB

1 062

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

CJH

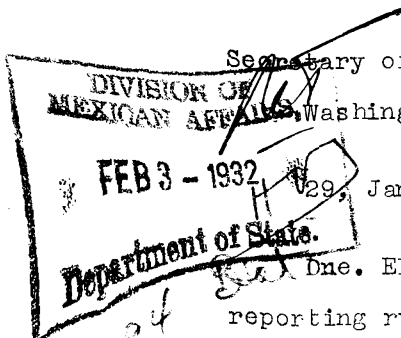
GRAY

MEXICO

TELEGRAM RECEIVED

Dated January 30, 1932

Rec'd. 11:30 p.m.



FROM

file



F/LS  
793.94/3767

29, January 30, 7 p.m.  
One. EL GRAFICO this evening carried news article reporting rumors of mobilization of Pacific Fleet as an indication of a declaration of war with Japan.

Two. Minister Tellez informed newspaper reporters of our request for port accommodations and transit of airplanes in connection with winter fleet maneuvers, and of Mexico's granting permission therefore; This also appears in EL GRAFICO for tonight.

Three. Reporters from EL UNIVERSAL and POPULAR asked me if I knew whether there were strained relations between the United States and Japan, and I replied that my Government had given me no information whatever indicating that strained relations existed and that I had no information on the situation in the Far East other than I gained from the newspapers.

Four. I told them that I was not informed. Associated Press reports incoming tonight carried news items bearing upon the matter.

CLARK

WSB

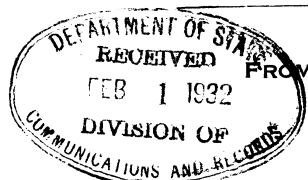
FEB 5 1932

FILED

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Martin O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

mam



Secretary of State

Washington

January 30, 7 p.m.

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

SHANGHAI VIA NR

Dated January 30, 1932

Rec'd 8:44 p.m.

Handwritten initials and stamps: "M 3", "C", "H", "JAN 31 1932", "Department of State", "may"

F/LS 793.94/3768

FILED

Handwritten notes: 793.94, 893.102-S, 893.1163-S, Mission

Firing continued intermittently all day yesterday and last night. Using airships the Japanese yesterday bombed the Chinese Press Building on Paoshan Road, the North Railway Station and other places in the vicinity. A bomb was dropped in the French Concession near the former Walled City. About midnight 29th a crowd of Japanese vigilantes wearing armbands, together with armed Japanese marines entered the American law school, which is the law school of Soochow University, an American Missionary institution. This school is on Quinsan Road in the International Settlement. They were ostensibly searching for arms. Some damage was done to furniture and fixtures. This school and Soochow University Middle School were then sealed by Japanese military. Other similar instances are reported, some causing considerable damage.

Two.

629  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

mam

2- January 30, 1932, from Shanghai

Two. Contrary to current reports of additional large reinforcements for both sides, told this morning by Mayor that fifteen hundred gendarmes only had arrived and that no more were coming at present. Japanese Admiral told me this morning that no additional Japanese reinforcements were under consideration.

Repeated to the Legation.

KLP

CUNNINGHAM

RR

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

M

SHANGHAI

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

Dated January 31, 1932

Rec'd 9:20am.

Secretary of State

Washington

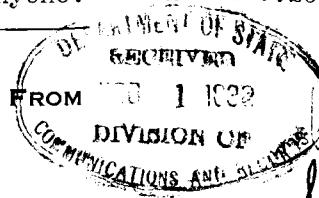
January 31, 4pm.

As a sequel to my telegram of January 29, 8pm.,

the Japanese Admiral and Consul General and the Chinese  
Mayor and General Au San Lin in command of Chinese forces  
north of Shanghai, met in conference at the British Con-  
sulate General with Brenan and myself as observers (repeat  
observers). The question of relieving the situation by  
reaching an agreement between the military forces of China  
and Japan was the object of the meeting. After two hours  
discussion adjourned for the purpose of securing attendance  
of defense committee for joint consideration of the follow-  
ing proposal:

The Japanese should undertake to pursue no further  
military operations in Chinese territory and withdraw  
their forces from the railway to the municipal property  
and road in the <sup>tongue</sup>. The Chinese to withdraw from  
the west side of the railway two thousand meters. The  
space between the new Japanese position and the railway  
to be occupied by neutral troops. To the west of the  
railway to be policed by Chinese policemen.

The discussion will be continued at three o'clock  
with



F/LS 793.94/3769

FILED

FEB 6 - 1932

- 93.94  
no 12  
893.102-S

163  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

2-From Shanghai, January 31, 4pm.

with considerable hope of acceptance by the Japanese and Chinese.

Repeated to the Legation and Nanking.

CURTIN'GHAM

WSB

163

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

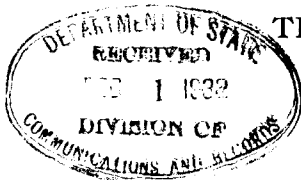


163  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

GRAY

*FE*



TELEGRAM RECEIVED Shanghai via N. R.

Dated January 31, 1932

FROM

Rec'd 8:40 a. m.

Secretary of State,

Washington.

January 31, 7 p. m.

CONFIDENTIAL.

Your January 30, 2 p. m.

The Department's suggestion will be considered by the  
Committee.

CUNNINGHAM

KLP

Protest against violation of the neutrality of the  
Settlement.

F/LS

793.94/3770

FILED

FEB 6 - 1932

*793.94  
note  
893.103-S.*

*M J  
JAN 31 1932  
Department of State  
my*

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

*WFE*

CJH

TELEGRAM RECEIVED

This telegram must be carefully paraphrased before being communicated to anyone.  
 SHANGHAI  
 Dated January 31, 1932

FROM Reo'd. 12:03 p.m.

Secretary of State,  
 Washington.

January 31, 11 p.m.

*m*  
*for L. N. H. Mr. [unclear]*  
 JAN 31 1932  
 Department of State  
*new*



F/LS 793.94/3771

*793.94*  
*793.94*  
*893.117-5*

Continuing my January 31, 4 p.m., the Committee of Defense stated that the proposal contained in my telegram was not ~~feasible~~ and that they could not execute it. The committee stated that the only feasible plan about a complete withdrawal of the Japanese from the (\*) into the International Settlement and the placing of the tongue under the control of a neutral power and the Chinese moving their line two thousand yards to the west of the railway. This was accepted for the Chinese but declined the Japanese who refused to (\*) removed from the tongue. The meeting was a disappointment because of the very strong attitude of the Japanese against continuing the truce without the withdrawing of the Chinese military line but was eventually accepted, therefore, the truce continues until further notice. The Japanese Consul General agreed to submit the proposal of the Defense Committee to his Government for consideration, and upon the receipt of a reply if unfavorable the Chinese would then submit matter to their Government. I have very little confidence in the truce.

FILED  
 FEB 6 1932

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

CJH

**TELEGRAM RECEIVED**

Page 2 - Conf. from Shanghai  
dated Jan. 31, 1932.  
11 p.m.

FROM

in the truce. The proposal of the Committee would be an  
ideal solution but it is certain that neither the Japanese  
Admiral nor the Consul General will endorse the proposal.  
Repeated to Peiping and Nanking. January 31, 9 p.m.

CUNNINGHAM

(\*) APPARENT OMISSIONS.

KLP

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

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

PLAIN

TELEGRAM RECEIVED

Peiping via N. R.

Dated January 31, 1932

Rec'd 7:34 a. m.

Secretary of State,

Washington.

162, January 31, 3 p. m.

Following from Reuter, Nanking, January 30.

"Trainloads of troops belonging to the 13th Route Army are leaving ~~for~~ Shanghai as fast as possible to the accompaniment of rousing cheers from thousands of onlookers who are carrying banners inscribed with such mottoes as "Resist the invaders" "Hold Shanghai at all costs".

Meanwhile defense works in Nanking itself are being strengthened and troops are being rushed here from other points to take the place of those going to Shanghai.

The Government has issued a statement vigorously denouncing the Japanese attack on Chapei and urging the signatories of the Covenant of the League of Nations, the Kellogg Pact and the Nine Power Treaty to take immediate and effective measures. so that justice and international

F/LS

793.94/3772

FILED

FEB 5 1932

793.94  
893.23

REP

2- #162, from Peiping, Jan. 31, 3 p.m.

international obligations may not be trampled under the heel of Japanese militarism. The more we endure the more aggressive the Japanese become, says General Chiang Kai Shek in his telegram mentioned earlier. He points out that since September 18th, when Mukden was captured, the policy of the Chinese Government has been to avoid bloodshed and to bear insults as a measure to preserve the country.

The message then turns to the situation at Shanghai saying "The fate of China is at stake and anyone having any sense or patriotism can no longer endure further Japanese oppression.

Now is the time for all the Government armies to rise up in defense of the national honor and existence of the Chinese people. We should be prepared to fight and to make sacrifices rather than yield to the Japanese who have committed a breach of faith and destroyed world peace. I, Chiang Kai Shek, have been in company with you through thick and thin although today I am in retirement, I am still willing in my capacity as a citizen to fight side by side with you all."

Public

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

3- #162, from Peiping, Jan. 31, 3 p.m.

Public bodies including students are now wholeheartedly supporting the Government, collecting subscriptions for a war chest and recruiting volunteers."

FOR THE MINISTER

PERKINS

WWC

KLP

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

CJH

COPIES SENT TO PLAIN

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

PEKING via N. R.

TELEGRAM RECEIVED January 31, 1932

Rec'd. 6:12 a.m.

FROM

Secretary of State,  
Washington,

163, January 31, 4 p.m.

Following from Reuter, Shanghai, January 30:

"A message from Nanking says that the Government  
has decided to declare war against Japan but it is  
reported that this will not be implemented before  
tomorrow (January 31) at the earliest.

The Shanghai Municipal Council has lodged  
a protest with the consular body against Japanese  
violation of the neutrality of the International  
Settlement.

The matter is under consideration".

FOR THE MINISTER

PERKINS

WWC

KLP



F/LS

793.94/3773

FILED

FEB 5 1932

793.94  
m  
593.102-3

164

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

M

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

TIENTSIN VIA N.R.

Dated January 31, 1932

TELEGRAM RECEIVED

Received 2:48 am.

Secretary of State

Washington

FROM

January 31, 3pm.

The following telegram has been received from the Legation.

"January 31, 2pm.

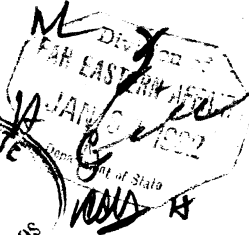
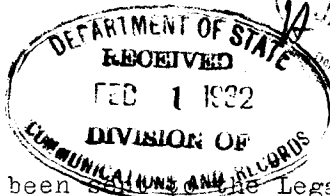
From a Chinese newspaper source it is learned that Japanese Consul General at Tientsin gave an ultimatum to the Mayor, which expired at six pm. yesterday, demanding that all anti-Japanese activities at Tientsin must cease and that the Mayor apologize for statements, attributed to him, published in the YISHIHPAO. Both demands were complied with.

Although above information has not been confirmed it is believed to be correct and may possibly be the forerunner of a renewal of disturbances here.

Repeat to the Department."

LOCKHART

KLP



F/LS  
793.94/3774

FILED  
FEB 5 1932

793.94  
not  
893.102-T



164

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

M

SHANGHAI via N. R. *FE*

This telegram must be  
closely paraphrased before  
being commended to the

Dated January 31, 1932

TELEGRAM RECEIVED 9:25am

Secretary of State

Washington

January 31, 10pm.

My telegram January 30, 4pm. and Department's

January 30, 2pm.

Two. The Secretary General of the Council  
informed me this afternoon that the Council had  
decided not to file a formal protest against the  
violation of the neutrality of the Settlement.

Repeated to the Legation and Panking.

Cunningham

KLF



*m*  
Division of  
FOR EASTERN AFFAIRS  
JAN 31 1932  
Department of State  
*new*

F/LS

793.94/3775

793.94  
note  
893.102-S

FILED  
FEB 4 1932

164

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

GRAY

NANKING

M

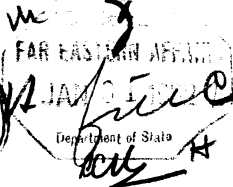
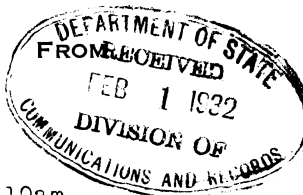
TELEGRAM RECEIVED

January 31, 1932

Rec'd 12:25am

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

Secretary of State  
Washington



22, January 31, 10am.

In execution of formulated plan the most important officers of the Chinese Government have temporarily removed their offices from Nanking.

Four Japanese destroyers have just arrived and anchored. I have telephoned to the Japanese Consul in my capacity of Senior Consul and he has again assured me that the Japanese vessels will not take the initiative in fire action.

Repeated to Legation.

PECK

WSB

F/LS 793.94/3776

FILED  
FEB 5 1932

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note  
593.102-N  
794.3393  
593.01

164  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigson NARS, Date 12-18-75

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

*FILE*

TELEGRAM RECEIVED

REP

CORRECTED COPY

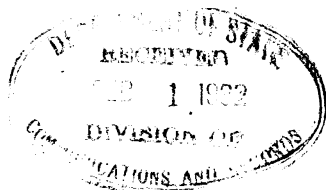
FROM

GRAY

Shanghai via N. R.

Dated January 31, 1932

Rec'd 2:30 p. m.



Secretary of State,  
Washington.

PRIORITY  
*February 1* / 3777  
*January 31*, 1 a. m.

*FILE*  
FEB 1  
FAR EASTERN  
C  
Robby

Japanese Consul General has just informed me  
that the Chinese has begun attack on the Japanese  
positions. Chinese Mayor reports that Japanese  
started attacking at 11:30. Truce no longer obtains.  
Rush supplemental naval forces.

Repeated to the Legation and Nanking.

CUNNINGHAM

WSB

F/DEW 793.94/3777

FEB 8 1932

FILED

644  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

CJH

TELEGRAM RECEIVED  
GRAY

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

SHANGHAI via N. R.

FROM Dated January 31, 1932

Rec'd. 2:30 p.m.

793.94  
Note  
893.102  
811.300  
893.0146  
DEPARTMENT OF STATE  
RECEIVED  
FEB 1 1932  
DIVISION OF  
COMMUNICATIONS AND RECORDS

Secretary of State,  
Washington.

PRIORITY,  
January 31, 1 a.m.

Japanese Consul General has just informed me that  
the Chinese has begun attack on the Japanese positions.  
Chinese Mayor reports that Japanese started attacking at  
11:30. Truce no longer obtains. Rush supplies <sup>mental</sup> naval  
forces. THE LEGATION.

CUNNINGHAM

RPF

F/LS 793.94/3777

FILED  
FEB 6 1932

1 6 4 5

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE  
DIVISION OF FAR EASTERN AFFAIRS  
February 3, 1932

SEH:

The Department did not send a telegram to Shanghai dated "February 1, 10 p.m." as referred to in the attached telegram of February 2, 5 p.m. from Shanghai. I have attempted to connect up this reference and believe that the telegram referred to is Nanking's "January 31, 10 p.m." which reports the substance of a conference at Nanking on January 31, 1 p.m. attended by the Minister for Foreign Affairs, Mr. Peck, the French Minister and the British Chargé d'Affaires and two Vice Ministers. The last paragraph of Shanghai's February 2, 5 p.m. "With reference to (f)" refers clearly to paragraph (f) of Nanking's January 31, 10 p.m.

I think the beginning of Shanghai's February 2, 5 p.m. should read as follows:  
"The following telegram has been sent to Nanking.

"Your January 31, 10 p.m.

"Following for your information. etc.etc!"

793.94/3778

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

February 3, 1932.

SEN:

You requested me to consider the questions involved in Nanking's telegram No. 23, January 31, 10 p.m., a copy of which is attached. In this telegram Mr. Peck reports an oral statement made by the Minister for Foreign Affairs to him, the French Minister and the British Chargé d'Affaires on January 31, 1932. Mr. Peck summarizes the statements of the Minister for Foreign Affairs under seven "points". Six of these "points" deal with information which the Minister for Foreign Affairs apparently desired to have conveyed to the American, French and British Governments. Only one "point" is a direct inquiry made for information, namely, "point (f)" i.e.,

"The Chinese Foreign Office wishes to inquire merely for information whether it is true as reported that American marines are patrolling area south of Soochow Creek in eastern part of the Settlement and have arrested Japanese plain clothes men there."

As this inquiry was made orally, I do not feel that we should make any reply. The Consul General at Shanghai in his telegram of February 2, 5 p.m., has already informed Mr. Peck in regard to this point and Mr. Peck may in his discretion orally inform the Minister of Foreign Affairs.

If you so recommend, we can instruct Mr. Peck to that effect.

JEF/VDM

793.94/3778

FEB 9 1932

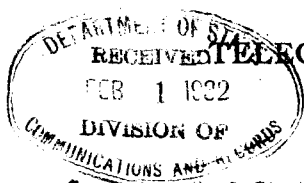
1-647  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MSP

GRAY

FE

Nanking via N.R.



TELEGRAM RECEIVED

Dated January 31, 1932

Rec'd 8:44 p.m.

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

FROM

Secretary of State,

Washington.

23, January 31, 10 p.m.

One. The Minister of Foreign Affairs January 31,

1 p.m., asked French Minister, British Charge d'Affaires and me, to conference attended also by two Vice Ministers.

Two. The Minister of Foreign Affairs made lengthy statement, principal points being as follows:

(a) The present policy Chinese Government is one of self defense. The Government has now, as in the past, absolutely no intention of declaring war on Japan. The resistance opposed to Japan at Shanghai was merely an exercise of right of every government to defend the lives and property of its citizens and the performance of its duty to protect the interests of foreign residents.

(b) In the removal of important functioning offices of the Chinese Government to Loyang there is no thought of preparing for war. The military measures by Japan have been of a nature to warrant the claims that the capital is the objective and that it is the in-

tention

F/DEW

793.94/3778

FILED

FEB 8 1932

793.94  
note  
893.102-S  
893.00  
893.0146  
893.01

note  
893.00

MSP

2-#23 From Nanking January 31, 1932

intention of Japan to coerce the Government to set its seal of approval on Japanese actions. The arrival today at Nanking of four additional naval vessels and the sending to China of a large number of troops and airplanes clearly indicate that more than the Shanghai situation is in the mind of the Japanese Government. Hence the necessity for removing the principal offices of the Government.

(c) In response to appeal from China the League of Nations has been very sympathetic but China has now addressed a note to the Nine Power Treaty signatories. China has demonstrated that she has observed all Treaty obligations and hopes that signatory powers will take measures to prevent enlargement of the present controversy. China has been driven to desperation and desires to invoke every international agreement by which the signatory powers pledge support and assistance to China in a moment like the present. China anxiously awaits the remonstrances to be made for from the Nine Power Treaty, the Kellogg Pact, and the League Covenant.

(d) The Japanese Consul General at Shanghai has  
publicly



MSP

3-#23 From Nanking January 31, 1932

publicly announced that the occupation by Japanese forces of Chinese territory east of the Shanghai-Woosung railway in Chapei was in accordance with decision of the International Settlement authorities. The Chinese Government does not know whether this statement is true or not but if it is the Government contends that the decision was ultra vires.

note  
893.102-S

(e) The area south of Soochow Creek in western extremity of the International Settlement has usually been patrolled in times of emergency by British or American forces and British troops were there until afternoon of the 30th when they were replaced by Japanese marines. The latter thus have two sections of territory and are using the International Settlement as a base of operations. The Chinese authorities wish to reduce the area of conflict which has thus been enlarged and they wish to complain of this extension through the diplomatic representatives to the authorities of the Settlement.

(f) The Chinese Foreign Office wishes to inquire merely for information whether it is true as reported that American marines are patrolling area south of Soochow Creek in eastern part of the Settlement and have arrested Japanese plain clothes men there.

(g)

note  
893.0146

MSP

4-#23 From Nanking January 31, 1932

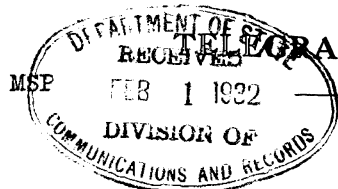
(g) The principal officers of the Government who left Nanking, January 30th are Chiang Kai Shok, Wang Ching Wei, Fong Yu Hsiang, Li Chai Sun and Chu Pei Teh. At least six Ministers remain. Repeated to Department, Legation and Shanghai.

*note  
893101*

PECK

HPD

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75



FROM

GRAY

London

Dated January 31, 1932

Rec'd 4:10 p.m.

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

Secretary of State,  
Washington.

RUSH

39, January 31, 7 p.m.

Following communique was issued by Foreign Office tonight:

"A meeting was held this morning at which were present Prime Minister, Secretary of State for Foreign Affairs, Chancellor of the Exchequer, First Lord of the Admiralty, Chief of Imperial General Staff and Vansittart. The situation at Shanghai was discussed and the military and naval positions considered. In addition to the three battalions already at Shanghai it was decided to despatch a warship from Hong Kong carrying a battalion of infantry and a battery of artillery in response to a request from Brigadier General Fleming for reinforcements. Naval force at Shanghai consisting at present of cruiser CORNWALL, sloop SANDWICH, and gunboats, will shortly be reinforced by arrival of cruiser KENT from Batavia; cruiser SUFFOLK from Hong Kong was due to arrive today.

At a meeting today at Shanghai which was presided over by the British Consul General at which the American

Consul

F/LS 793.94/3779

FILED

FEB 8 1932

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893.0146

MSP

2-#39 from London, January 31, 1932

Consul General was also present, together with the Japanese and Chinese commanders, it was proposed to establish a neutral zone between the Chinese and Japanese troops to be occupied by troops of the neutral powers which have forces in the International Settlement. The British Consul General has now been informed that the necessary arrangements should be made for the British troops to cooperate if the neutral zone can be established and the United States Government is being requested to take similar action.

The British Government is also urging the Japanese and Chinese Governments to accept the scheme for a neutral zone and to issue immediate instructions to their troops accordingly."

ATHERTON

HFD

CJH

165  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustig NARS, Date 12-18-75

REP

TELEGRAM RECEIVED PLAIN

London

FROM Undated

Rec'd January 31, 1932  
11:20 a.m.

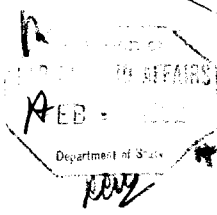
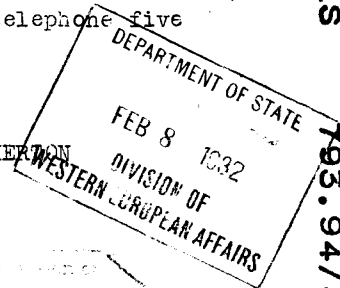
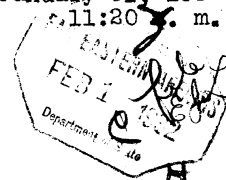
793.94  
Secretary of State

Washington.

38

Downing Street will call you by telephone five

o'clock London time this afternoon.



\* F/E  
WE

F/LS

793.94/3780

FEB 8 1932

FILED

TELEGRAM RECEIVED

REP

This telegram must  
be closely paraphrased be-  
fore being communicated FROM  
to anyone.

LONDON

Dated January 31, 1932

Rec'd

12:45 p.

Secretary of State,

Washington.

TRIPLE PRIORITY.

37, January 31, 3 p. m.

FOR THE SECRETARY.

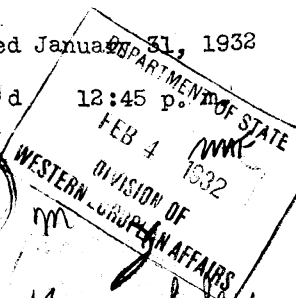
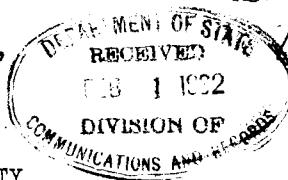
I have conveyed to Prime Minister as "my understand-  
ing of our telephone conversation this morning".

(One) - That you agree to urgently reinforce  
American armed strength Shanghai,

(Two) - That you are inclined to agree to take  
similar action in regard to the proposal of the Shanghai  
conference set forth in section two of my 36, January 31  
1 p. m. However, before definite decision you prefer  
to await receipt of reports from the American Consul  
General at Shanghai,

(Three)- That State Department will telegraph me as  
soon as possible approximate strength present United  
States armed forces in Shanghai (Foreign Office under-  
stands at present this to be some 1300).

Subsequent



E/L S 793.94/3781

FILED

MAR 3 1932

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

## TELEGRAM RECEIVED

REP

FROM

2- #37, from London, Jan. 31, 3 p.m.

Subsequent to my telephone conversation with you this morning British Government has instructed its missions in Nanking continents and Tokio to urge upon the respective governments to accept the proposals of the Shanghai conference referred to in second section of 36, January 31, 1 p. m.

(END SECTION ONE).

ATHERTON

WSB

65  
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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MSP

TELEGRAM RECEIVED

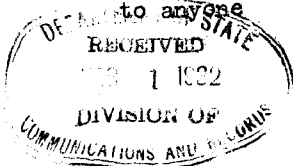
This telegram must be  
closely paraphrased be-  
fore being communicated  
to anyone

FROM

London

Dated January 31, 1932

Rec'd 6:30 p.m.



Secretary of State,

Washington.

TRIPLE PRIORITY

37, January 31, 3 p.m. (SECTION TWO)

In informal confidential Foreign Office conversation this afternoon I was informed that the Prime Minister has not as yet had time, in view of this morning's urgent reports, to reach decisive decision regarding your 43, January 30, 8 p.m. However, Foreign Office reactions at present are as follows:

(a) Situation has materially changed since you talked on the telephone with the Prime Minister last evening;

(b) Note should be limited in length, preferably to one paragraph, and should <sup>more</sup> pointedly concentrate on Shanghai concerning which Japanese Government has already a "guilty conscience" rather than by possible implication include Manchurian situation which would weaken the

effectiveness



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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MSP

2-#37 From London January 31, 1932

effectiveness of a note directly dealing with present  
Shanghai embroglio;

(c) To be effective to the Japanese Government  
in its present state of mind the implied appeal in your  
draft on behalf of China and the Chinese should be  
eliminated.

Please realize the above reactions were given  
to me only for my personal information but I venture to  
repeat them as of possible value in your further  
deliberations. (END MESSAGE)

ATHERTON

165F

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

This telegram must be closely paraphrased before being **TELEGRAM** to anyone.

LONDON

Dated January 31, 1932

Rec'd 11:45 a. m.

FROM FEB 8 1932

DIVISION OF  
WESTERN HEMISPHERE AFFAIRS  
RECEIVED

FEB 1 1932

DIVISION OF  
COMMUNICATIONS AND RECORDS

Secretary of State,  
Washington.

RUSH.

36, January 31, noon.

Following is substance of telephone message transmitted to you this morning:

"I have just come from Downing Street where Prime Minister and Secretary of State informed me latest news from Shanghai exceedingly grave and on information they have received have at this moment ordered a further eight inch cruiser to sail from Hong Kong carrying to Shanghai reenforcements of one battalion and one battery. This makes one eight inch cruiser already at Shanghai, a second eight inch cruiser en route to Shanghai and a third eight inch cruiser which has been (#) there this morning carrying this further reenforcements of one battery and one battalion. Prime Minister wants to know what forces American Government has at Shanghai and whether

793.94/3782

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893.0140

REP

2- #36, from London, Jan. 31, noon.

whether American Government will take the same measures the British have just done and urgently reenforce their fighting strength at Shanghai. The news from China indicates the Japanese have continued to use the International Settlement as base of attack and Chinese are doing likewise. Meanwhile Chinese reenforcements are arriving at Shanghai from Nanking and it is probable with the forces available the Japanese will be unable to cope with the situation they have brought about. Evidently the Prime Minister fears a massacre of foreigners in the International Settlement by undisciplined Chinese hords.

(END SECTION ONE).

ATHERTON

WSB

TELEGRAM RECEIVED

REP

FROM

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

LONDON

Dated January 31, 1932

Secretary of State,  
Washington.

RUSH.

36, January 31, 1 p. m. (SECTION TWO)

since leaving Downing Street Prime Minister advises me  
by telephone of Shanghai cables just received from British  
Consul General who reports a conference with his American  
colleague, the Japanese Admiral, the Chinese General  
and the Mayor of Shanghai has just taken place. At this  
conference it was suggested that each side withdraw to a  
certain distance and it was proposed the area east of  
the railway which was to be evacuated by the Japanese  
should be policed by neutral forces. There will be  
another meeting at Shanghai today when Defense Committee  
of commanders of the troops of the other nations will  
work out a scheme of defense. In the telegram British  
Consul General advises British forces should share in  
policing neutral area east of the railway even though  
possible

REP

2- #32, from London, Jan. 31, 1 p.m.  
(Section Two)

possible dangers to troops may arise from sniping, et cetera, for "any other alternative seems fraught with terrible consequences". Prime Minister says the British Government desire this and urges the American Government will do likewise. British Government is authorizing British Consul General Shanghai to proceed as is proposed with "the confident assumption American Government will act likewise". British Consul General has been informed that British Government is urgently requesting the American Government to send the necessary authorization to the United States authorities at Shanghai at once in order that there may be the immediate cooperation demanded by the situation.

(END MESSAGE).

ATHERTON

KLP

1-66-  
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Department of State letter, August 10, 1972  
By Milton O. Stutefson NARS, Date 12-18-75

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

TELEGRAM RECEIVED

REP

FROM

GRAY

Canton via N. R.

Dated January 31, 1932

Rec'd 10:18 p. m.

Secretary of State,  
Washington.

January 31, 4 p. m.

Following from Consul at Swatow:

"January 31, 1 p. m.

Difficulties have arisen during the last few days between the Chinese and the Japanese on account of the publication by a local Chinese newspaper of what the Japanese term an insult to their Emperor. It is reported that the Japanese Consul yesterday morning informed the Mayor of Swatow that the offending newspaper must be closed and an apology submitted or the Japanese navy would take such steps as they considered expedient. The Chinese have been given until midnight of the 31st to comply. About 5,000 Chinese troops have been brought to Swatow today and have taken positions to the northeast of the city. General Chang, the Commandant, has moved his headquarters to Chaochowfu. The Mayor of Swatow seems to be very

F/DEW

793.94/3783

FILED

FEB 8 1932

793.94  
note  
893.102 Swatow

REP

2- from Canton, Jan.31,4 p.m.

be very belligerent and it is believed that a clash between the Chinese and the Japanese is very likely to occur here within a few days. I have been informed <sup>by</sup> the Mayor and General Chang and also the Japanese Consul that it is expected that every precaution will be taken to avoid injury to Americans and to American property." Commander of the south China patrol.

Repeated to Department, Nanking Legation.

BALLANTINE

JS

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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REP

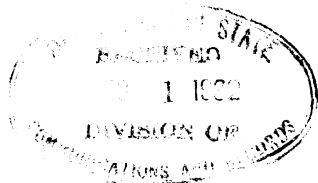
FROM

GRAY

Shanghai via N. R.

Dated January 31, 1932

Rec'd February 1st, 3:05 am



Secretary of State,  
Washington.

January 31, 12 p. m.

The situation within the Settlement.

Sniping by plain clothes men both Japanese and Chinese is worse than it has ever been and the number snipers is increasing. This is particularly true in the Hongkew district the policing of which was taken over by the Japanese marines the night of January 30th. Sniping however occurs occasionally in the central district close to this Consulate General.

Two. Last night a group of eight Japanese civilians fired two shots over the heads of the American marine sentry at his post. They were arrested and numerous weapons were found. The international police interviewed these prisoners who first stated that they were school boys but ages ranged from 25 to 50 years. Later they stated that they had been ordered by Japanese naval authorities to go to Japanese mill No. 8 and still later said they were Japanese school teachers. Another group of Japanese

F/DEW

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FEB 8 1932

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1-1-66  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

REP

2- from Shanghai, Jan. 31, 12 p.m.

of Japanese civilians were picked by American sentries. These were all armed with pistols. They were later disarmed and turned back loose.

Three. Hundreds of thousands of refugees from the Hongkew and Yangtze Foo section of the city are pouring into central district. This will bring about serious problems as regards housing and food. There is every probability that a food shortage will occur.

Repeated to the Legation and Nanking.

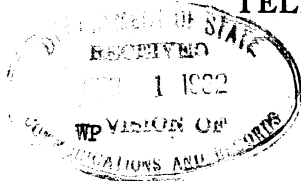
CUNNINGHAM

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED



FROM PLAIN

Peiping

Dated February 1, 1932

Rec'd 3:05 a. m.

Secretary of State,

Washington

165, February 1, 8 p. m.

Following from Reuter, Nanking, January 31st:

At eight a. m., this morning the national government issued an official statement announcing that the seat of government was being temporarily transferred to Loyang (Honanfu) in Honan province.

The statement recapitulates the Shanghai development and expresses the belief that the Japanese intention is to force the Chinese government into submission by armed force. However, it says, the Chinese government will take all possible measures for self-defense and will urge the powers to carry out their treaty obligations. It expresses confidence that the powers cannot sit down and watch humanity and justice trampled on.

General Ho Ying Ching, Minister of War, has been left to carry on here and to defend the city from any attack.

F/DEW

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FEB 8 1932

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

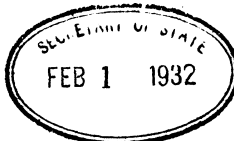
- 2 - No. 165 from Peiping

attack. The Foreign Minister, Dr. Lo Wen Kan has also been  
left to carry on the Foreign Office in Nanking.

For the Minister.

PERKINS

JS



MEMORANDUM OF TRANSATLANTIC TELEPHONE CONVERSATION BETWEEN  
SECRETARY STIMSON AND PRIME MINISTER J. RAMSAY MACDONALD,  
MONDAY, FEBRUARY 1, 1932, AT 10:15 A.M. *at London.*

MR. MACDONALD: Good afternoon, Mr. Secretary.

SECRETARY: Good morning, Mr. Prime Minister. The important news as it seems to us, so far as I have been able to go over the cables, is the interview which took place in Tokyo between the Foreign Minister there and your Ambassador and our Ambassador and the French Ambassador in that there seems to be implied and pretty strongly expressed a desire for our good offices and I have just been in conference with the President and we think that we should confer with you as to taking that up along the following lines: Have you any way of taking it down?

MR. MACDONALD: Just one moment, I will get someone at the 'phone to take it down.

SECRETARY: We think that they virtually asked for suggestions and that we should put out the following which is an attempt to follow the lines already partly worked out in Shanghai. I have got it in very brief form.

Number One. Cessation of all acts of violence on both sides.

(Mr. MacDonald repeats it).

Number Two. No further mobilization or preparation for further hostilities between the two nations.

(Mr. MacDonald repeats it).

Number Three. Withdrawal of both Japanese and Chinese forces from all points of mutual contact in the neighborhood of Shanghai.

(Mr. MacDonald repeats it).

Number Four. Establishment of neutral zones in Shanghai by the Settlement and Consular authorities.

MR. MACDONALD: Within Shanghai?

SECRETARY: No, no, not within the Settlement but protecting it.

You

793.94/3785 1/2

Confidential File

- 2 -

You know that is the proposition they already have under consideration. These zones to be policed by neutral forces under arrangements to be set up by the Consular authorities.

Number Five. Upon acceptance of these conditions prompt advances to be made in negotiations to settle all outstanding controversies between the two nations in the spirit of the Pact of Paris and of the resolution of the League of December 9, without prior demands or reservations and **with** the aid of neutral observers or participants. That is the total. That is the suggestion. I suggest that as a proposal to be made by you and us and if the French will follow it, the French and the Italians, but if there is any delay or the French will not follow it, we will be willing to go ahead with the proposal if you would with us.

MR. MACDONALD: The idea is to get the French and Italians to agree on all conditions and there has to be no delay. If there is any delay you are willing to go ahead provided we cooperate.

SECRETARY: Let me say one word or two of explanation. The first four points constitute the truce or the original proposal; we try to follow what we understand they have been working on in Shanghai. Now, of course, details of that are subject to change after discussion with you. The whole thing is open to discussion with you. We have necessarily been very <sup>HURRIED</sup> ~~worried~~ in getting this up, but you see it is early morning yet here and the message has only just come in reporting that conference, but it seems to us to be a psychological moment in the light of the Japanese Foreign Minister's talk to our Ambassador and your Ambassador and the French Ambassador yesterday. Now, will you confirm that with your Foreign Office and see what their impression is and, if you do, will you let us know and we suggest that the advances to France and Italy could be made better by

you

- 3 -

you than us because you have quicker telephone communications.

MR. MACDONALD: We make the communications to France and Italy?

SECRETARY: Yes.

MR. MACDONALD: We have just received a report, as a matter of fact it was handed to me when I was told you wanted to speak to me on the 'phone and I have not had time to study it, but we have received a report from our Consul at Shanghai which puts a <sup>sinister</sup> more/light on the whole thing. He has at last come to the conclusion that the Japanese will not agree, the Japanese naval authorities in Shanghai, since his talk with them he is convinced that they don't mean to come to an agreement; that they want to fight the situation which will mean that they will get extraterritorial concessions there and can use those concessions as a point for advancing Japanese trade in China. As I say, I haven't studied it but have just looked at it and that is the gist of his message.

SECRETARY: There has been no suggestion of that to us. Of course, that has been an idea which they have had for many years back but, at the present moment, the thing that is significant is that Japan is hesitating very evidently at the serious position she has gotten into at Shanghai and the further strain that would be put upon her to organize a land force to attack the Chinese in the neighborhood of Shanghai and to rescue her Navy from the predicament they have gotten into. The significant statements that they have made to our Ambassador are very significant on that point. In the first place, the Foreign Minister is reported in the press to have said that the Japanese naval force would be wiped out unless they organize a big land force. There seems to be a clean admission that they are in trouble. He also made a definite statement to our Ambassador that it was not the desire  
of

- 4 -

of the Japanese to send any further reinforcements or to send any landing troops, and he also appealed to us at the end, my Ambassador reports, that at the end he laid a special stress upon his request that we use our good offices to induce the Chinese not to move up their troops. That was a direct appeal. I am quoting the language of our Ambassador.

MR. MACDONALD. Oh yes, I will take note of that; that is very important.

SECRETARY: There was a direct appeal, according to Mr. Forbes our Ambassador, that at the end he laid a special stress upon his request that we use our good offices to induce the Chinese not to move up their troops.

(Mr. MacDonald repeats it).

SECRETARY: I will just give you another point here; I have the cable before me. Further back before that our Ambassador used these words that the Foreign Minister expressed appreciation of the good offices of the American and British Consuls General towards stopping hostilities and he requests that the United States use its good offices to induce the Chinese troops not to bring up further reinforcements and to withhold the troops now in Shanghai to a safe distance, to avoid clashes, and he follows that with the definite statement that it was not the intention of Japan to send any further reinforcements or land troops. That is about as definite a request for good offices as a nation could make.

MR. MACDONALD: Yes, that is a definite precise statement. We are working on that.

SECRETARY: Now this is our situation. What I have read to you is our suggestion of what we think would be a fair proposal under this suggestion of good offices.

MR. MACDONALD: Very well, I will make the necessary consultations  
and

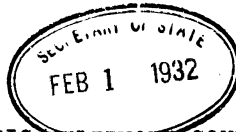
1067  
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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

- 5 -

and will study your suggestions and then ring you up again in  
an hour or half hour. Good-bye.

SECRETARY: Good-bye.





MEMORANDUM OF TRANSATLANTIC TELEPHONE CONVERSATION BETWEEN  
SECRETARY STIMSON AND PRIME MINISTER, J. RAMSAY MACDONALD,  
MONDAY, FEBRUARY 1, 1932, AT 11:20 A.M. *at London.*

MR. MACDONALD: Hello, Mr. Secretary. We agree in principle to the idea and to the points but there are just one or two things that we would like to consider and perhaps amend. About that we propose to ring you up again. I am sorry to trouble you so much but I have to run away. However, we don't agree to point four: Establishment of neutral zone within the Settlement.

SECRETARY: No, at Shanghai by the Settlement authorities.

MR. MACDONALD: Within the Settlement at Shanghai.

SECRETARY: No, no. What we refer to is the neutral zone which the Consular authorities at Shanghai are now trying to establish.

MR. MACDONALD: Oh, that is all right.

SECRETARY: We are not trying to impose our views upon the authorities there but they have been trying to establish a neutral zone in the light of their own information to make the Shanghai International Settlement more defensible.

MR. MACDONALD: I see now. That removes one of the difficulties we had in the wording. Well now, what is the move?

SECRETARY: The two points are these. We want the two forces of China and Japan to withdraw from contact at all points. Then if that makes necessary a neutral zone to ensure that they do not get into contact, that neutral zone is to be policed by neutral powers, but the entire delimitation of that zone must be left to the local people on that ground.

MR. MACDONALD: That clears our difficulty. Well now, what we propose to do is to communicate immediately with Paris and Rome telling them that we are doing so and that you are doing this.

SECRETARY: What's that? That you will do it?

MR. MACDONALD: Yes, Sir, as you suggest, we will do so. It will  
take

793.94/3735 3/4

Confidential File

- 2 -

take up much less time.

SECRETARY: Yes, you will do it.

MR. MACDONALD: We will give them twenty-four hours to decide and we will send it to Tokyo and you will also send it to Tokyo without delay.

SECRETARY: As soon as we know you are going to do it, we will do it.

MR. MACDONALD: Very well, we will do it without delay. We will tell you exactly when we will do it within an hour. Then we would propose to give a good reasonable time for the Japanese authorities to consider it and then give it to the press, and when we ring you up we will tell you what space of time we think is necessary for this. I thought you would like to know immediately that we agreed to the idea; that we agree to the lines that you laid down and that we also agree to the action that you propose to take.

SECRETARY: All right, that is first rate.

Are we agreed on Article Number Five? That is upon the acceptance of these conditions, prompt advances to be made in negotiations.

MR. MACDONALD: When I ring you up we may have one or two verbal alterations to make.

SECRETARY: In principle and in general you agree to five as well as to the first four?

MR. MACDONALD: In principle, we agree to five as well as to the first four.

SECRETARY: All right, very well.

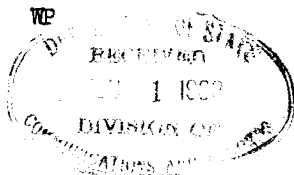
MR. MACDONALD: Good-bye.

SECRETARY: Good-bye.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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



FROM PLAIN

Beiping

Dated February 1, 1932

Rec'd 3:05 a.m.

Secretary of State,

Washington

166, February 1, 9 a. m.

Following from Reuter, Tokyo, January 31st:

"A Japanese force clashed with General Ting Chao's troops in the neighborhood of Harbin at dawn this morning. The Japanese suffered casualties amounting to 21 killed and 38 wounded.

It is learned that the transportation of Japanese 86,177 C.E. troops to Harbin was finally facilitated as the result of the Soviet agreeing to their using the southern section of the Chinese Eastern Railway, according to despatches from Mukden received here.

For the Minister.

PERKINS

JS

F/DEW

793.94/3786

FEB 8 1932

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noted  
893.102  
H. H. H.

RECEIVED  
FEB 1 1932  
Department of State  
H. H. H.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

12/11

*JKH*  
I find no mention  
in these conversations  
of a proposal by Mr.  
Alinson (to Sir John  
Simon) to have Great  
Britain join with  
the United States in  
calling a Conference  
under the Nine  
Power Treaty-

W.S.

file  
MEMORANDUM OF TRANSATLANTIC TELEPHONE CONVERSATION BETWEEN  
SECRETARY STIMSON AND THE BRITISH FOREIGN MINISTER,  
SIR JOHN SIMON, MONDAY, FEBRUARY 1, 1932, AT 12:30 P.M. at London.

SIR JOHN: Is that you, Mr. Secretary, it is nice to hear your voice.

SECRETARY: It is nice to hear you too.

SIR JOHN: I am fully in touch with your conversation this afternoon with the Prime Minister and he asked me to ring you up now about these proposed terms by the Powers. May I just make one or two verbal suggestions first?

SECRETARY: I should welcome them.

SIR JOHN: I will then tell you what our time table will be to carry them out.

First, probably number one would run better if we added at the end "forthwith on the following terms" so that one would read "cessation of all active violence on both sides forthwith on the following terms".

SECRETARY: Then it modifies the following points. There is one error there from the telephone message. Our proposal says "all acts of violence".

SIR JOHN: We got your words wrong. I have got it right now. "Cessation of all acts of violence on both sides forthwith on the following terms." We thought you would want to say that the cessation of all acts of violence was to be stipulated for on the following terms.

SECRETARY: Go on, Sir John, I see your point.

SIR JOHN: No further mobilization or preparation for further hostilities.

SECRETARY: Between the two nations.

SIR JOHN: As you like.

SECRETARY: Those words had this import that they were intended to be general and not applied to the Shanghai area alone.

SIR JOHN

793.94/3786 1/2

Confidential File

- 2 -

SIR JOHN: That is just what we wanted to raise. Then you are stipulating for everything in Manchuria?

SECRETARY: No, I meant any mobilization or preparation outside of Shanghai or the forces there.

SIR JOHN: It would be very difficult to stipulate in this connection, would it not, that there is to be a complete hold-up of all movement in Manchuria?

SECRETARY: I think that would be true.

SIR JOHN: Well then, how do you propose to limit that?

SECRETARY: I do think this should cover any preparation or mobilization for further hostilities no matter where that mobilization or further hostilities took place. I mean there should be a stoppage at once of any expeditionary force from Japan and a stoppage of the Chinese further movements from Nanking.

SIR JOHN: Do you insert the words at the end "between the two nations"?

SECRETARY: That was intended for that purpose.

SIR JOHN: You see it appears to us that if the whole thing is described as terms proposed by the Powers for cessation then your second point will mean what you intend it to mean and it won't be understood to apply to Manchuria.

SECRETARY: I get your point and I would like to consider that. I think that perhaps by putting in the words "no further mobilization or preparation whatever for further hostilities" --

SIR JOHN: Put in the word "whatever" after preparation?

SECRETARY: Yes.

SIR JOHN: In three, we don't want to alter it at all. I will read my words here as taken from yours. "Withdrawal of both Japanese and Chinese combatants from all points of mutual contact

in the

- 3 -

in the Shanghai area." That means either Japanese or Chinese irregulars.

SECRETARY: I mean all combatant forces. That is a good correction.

SIR JOHN: That would include the irregulars.

SECRETARY: Yes, that would include the irregulars but I want to be sure that it does.

SIR JOHN: For the moment I suggest this. Number Four. The Prime Minister spoke to you about where the neutral zones were to be. We have had a great deal of consultation about that during the last two days with people who know Shanghai very well; some of our soldiers know the city of Shanghai very well and we understand your meaning quite clearly. We suggest it be put like this.

SECRETARY: I will take it down.

SIR JOHN: Number Four. Protection of the International Settlement by the establishment of neutral zones to divide the combatants. This will cover the point mentioned this afternoon that may be just outside the International Settlement or possibly the neutral zone may run along the boundary, but we can't decide these details ourselves.

SECRETARY: I approve that, but you have not yet covered the defense of those neutral zones.

SIR JOHN: The arrangements are to be left to the Consular authorities.

SECRETARY: I don't care to go into the details necessarily of that, except those zones are to be policed by neutrals, thereby excluding both the Japanese and Chinese.

SIR JOHN: Yes, the arrangements can be set up by the Consular authorities.

SECRETARY

- 4 -

SECRETARY: I don't insist on those last words but I am thinking them over afterwards; those were made in a hurry. It may be not only by the Consular authorities but by the military commanders of those neutral zones.

SIR JOHN: I thought of the same thing; that our own Consul General will know what has been done and he has been in consultation with your man and they have been in consultation with the General commanding all the way through.

SECRETARY: I suggest in view of that, that the last sentence read like this. "These zones to be policed by neutrals."

SIR JOHN: Don't you think we could make some indication that the plan is to be worked out locally and then it seems to me, if I may suggest it, that you might send instructions in connection with this to your Consul General to consult with the other Consuls and the local commanders.

SECRETARY: Then you are willing so far as you are concerned to leave it as it was.

SIR JOHN: I am perfectly willing to leave it as it was.

Number Five is necessarily a little vague but I don't think we can improve it and we accept your five as it stands. We think it is very good.

SECRETARY: It was intended to cover both the Pact of Paris and also not to give offense or to seem to supersede the League by leaving in the resolutions of December 9.

SIR JOHN: I think it is very good.

SECRETARY: You can act on it.

SIR JOHN: May I just read to you, for safety's sake, how I have it now? "Terms proposed by the Powers for cessation of conflict at Shanghai."

SECRETARY: Will you now read the five points as they now stand?

SIR JOHN



- 5 -

SIR JOHN: Number One. "Cessation of all acts of violence on both sides forthwith on the following terms."

Number Two. "No further mobilization or preparation whatever for further hostilities between the two nations."

Number Three. "Withdrawal of both Japanese and Chinese combatants from all points of mutual contact in the Shanghai area."

Number Four. "Protection of the International Settlement by the establishment of neutral zones to divide the combatants; these zones to be policed by neutrals; the arrangements to be set up by the Consular authorities."

Number Five. "Upon acceptance of these conditions prompt advances to be made in negotiations to settle all outstanding controversies between the two nations in the spirit of the Pact of Paris and the resolution of the League of Nations of December 9, without prior demand or reservation and with the aid of neutral observers or participants."

(The President and the Secretary confer with each other here and are overheard by Sir John.)

SIR JOHN: May I tell you my suggestion, kind people, what we should do?

SECRETARY: Wait a moment before we go any further Sir John. We have some news that there has been firing at Nanking.

SIR JOHN: We have the same news now.

SECRETARY: There must be a provision in here that makes it perfectly clear that the acts of violence include such matters as that as well as -----

SIR JOHN: I am afraid I think there is a deliberate plan on foot.

SECRETARY: What I mean is this. If you exclude Manchuria you must make sure you do not exclude the Upper Yangtze River.

SIR JOHN:

- 6 -

SIR JOHN: I think that is perfectly true.

SECRETARY: The trouble comes mainly from the heading that you have just read to me. "Terms proposed by the Powers for the cessation of conflict at Shanghai." Leave off the words "at Shanghai".

SIR JOHN: "For the cessation of conflict."

SECRETARY: Yes.

SIR JOHN: We decided to strike out the name of Shanghai or put in extra words like the Upper Yangtze Valley because of Chefoo, Swatow and other coast cities. We can't negotiate a truce for only a part of it.

SECRETARY: I am inclined to think you are right in excluding Manchuria where there is a special situation but in other respects it must be general.

SIR JOHN: We better not particularize too much as to place.

SECRETARY: I don't think you can particularize; I think you have to leave it as general and I think we have to modify our immediate insistence. I have already acted in regard to the Nanking incident here through the Japanese Ambassador and I have sent word to Tokyo that if they wish us to take seriously the suggestion they made yesterday they must stop it at once.

SIR JOHN: Having heard the news from Nanking you have taken it up with the Japanese Ambassador in Washington and told him if he wanted the American Government to take seriously what the Japanese Foreign Minister said, they must stop this Nanking business at once. I quite agree with this but it looks like a very concerted plan on foot.

SECRETARY: There is another explanation. It is becoming very evident that the local commanders of the Japanese forces cannot be trusted to keep their heads, and it may come from that. They have done things that look to me more like the losing of

the

- 7 -

the head than a concerted plan. It is just as bad one way as another. On these five points you notice, don't you Mr. Secretary, that you have the Shanghai area mentioned in point three. I suppose you want to leave it?

SECRETARY: Yes, because that applies to a specific condition there.

SIR JOHN: May I tell you my suggestion? Here is what I propose to do if it agrees with you. I propose at once to telegraph these terms to our Ambassador in Tokyo and instruct him to act on them within twenty-four hours, both with the man in Tokyo and our man in China in twenty-four hours, and also to communicate them to France and Italy. Then we propose to tell our Ambassadors that they should act, if possible, with the United States and French and Italian colleagues. We shall tell our Ambassadors that we are in complete agreement with you and ask the other two Governments to agree also and, whether the other Governments agree or not, he should act with the United States colleague twenty-four hours from now. From our time it will be six o'clock in the afternoon. We propose immediately to repeat the text of what you and I have just agreed to. We understand the thing to be quite secret, as far as we are concerned, until tomorrow night at this time so that it will appear on Wednesday morning in the press. It would not do for it to come out before we get the answer from France and Italy.

SECRETARY: That would make it public Wednesday morning at your time.

SIR JOHN: We won't publish it until Wednesday morning and we will deliver it in Tokyo and Nanking, or wherever the Government is, twenty-four hours from now.

SECRETARY: Just let me ask you a question or two about what this

means

- 8 -

means at Tokyo. This means that your Ambassador and ours make representation in the same form.

SIR JOHN: To make representation in the same form and at the same time, that is twenty-four hours from now.

SECRETARY: That does not mean technically joint action?

SIR JOHN: No.

SECRETARY: It means concurrent action and taking it together at the same time; what we call <sup>con</sup>current action rather than joint action. I think that is perfectly clear, Sir John.

SIR JOHN: I hope some good will come of it.

SECRETARY: I am very much obliged to you for your promptness in answering.

SIR JOHN: At Nanking a Japanese cruiser opened fire on the City at midnight and caused great damage.

SECRETARY: I got word a few minutes ago, which of course is this coming night, that the Japanese vessel was continuing fire and that our own vessel there had moved to get out of the line of fire and no warning was given.

SIR JOHN: You have a destroyer there?

SECRETARY: We have a destroyer there and we moved to get out of the line of fire and no warning was given of the firing.

SIR JOHN: I have another telegram which is not official but which I think is pretty good, that the Japanese Government has indicated in Tokyo an immediate despatch of Army units to Shanghai. I am afraid I am becoming quite convinced that the Japanese Foreign Minister is impotent to control the situation and that is one of the reasons why he has asked the Powers to do what they can. Our view is, and I think it is your view too, that it is better for us to do it, to make these united appeals quickly.

SECRETARY: I think I agree with you. This last news about the

moving

- 9 -

moving of the Army units is very serious.

SIR JOHN: Have you any news as to when your additional forces will reach Shanghai?

SECRETARY: No, I can't give you our time table now, but I could get it. They have sailed and the destroyers must be there now. The cruiser was to sail yesterday, our time, and I think I have seen a cable to the effect that she has started.

SIR JOHN: We have another battalion there now.

SECRETARY: It will take the Regiment two days to reach Shanghai.

SIR JOHN: It will take the Regiment two days to reach Shanghai, I see. It looks pretty bad but let us cooperate and do the best we can.

SECRETARY: We will go over it and do the best we can and I am very glad that there is such good cooperation between us.

SIR JOHN: All right, thank you very much.

SECRETARY: Good-bye.

686  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

file  
MEMORANDUM OF TRANSATLANTIC TELEPHONE CONVERSATION BETWEEN  
SECRETARY STIMSON AND THE BRITISH FOREIGN MINISTER,  
SIR JOHN SIMON, MONDAY, FEBRUARY 1, 1932, AT 12:50 P.M. at London.

SECRETARY: Hello, Sir John. This is Stimson again. I think there is a mistake in your timetable.

SIR JOHN: Yes there is a mistake. It would get there in the middle of the night. We discovered the same thing.

SECRETARY: I suggest that we tell our Ambassadors to do it at 6:00 o'clock on February 2.

SIR JOHN: Six p.m., February 2.

SECRETARY: That is tomorrow. It does not allow twenty-four hours, but I think on the whole as things are moving so fast we should act quickly, in view of the notice you told me about the land force. Is that satisfactory?

SIR JOHN: We were sending a message to you to say that we thought it must be shortened.

SECRETARY: That is merely a suggestion, six o'clock. I say six o'clock. If you think differently do it.

SIR JOHN: By what time?

SECRETARY: Six p.m. by Tokyo time.

SIR JOHN: Could you make it seven p.m.?

SECRETARY: Seven p.m. Tokyo time would be all right. Seven p.m. in Tokyo would be an hour later in Nanking, eight p.m.

SIR JOHN: I follow. Just one moment. You are leaving out the communication to France and Italy. We have already done it and they both will have time to reply.

SECRETARY: The time is very short but they will have to take that chance. That would give them sixteen hours. Six p.m. Tokyo time.

SIR JOHN: I will agree with you, six p.m. Tokyo time shall be our standard time - February 2.

SECRETARY: All right, if that is agreeable to you.

SIR JOHN: We will send it to Tokyo in sufficient time to fit in with your program.

793.94/3786 3/4

Confidential File

168

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

FE

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

cib

FROM

GRAY

Peiping via N. R.

Dated February 1, 1932

Recd 5:45 a.m.

Secretary of State

Washington.

169, February 1, 1932.

Following telegram from Chefoo is being repeated  
to the Commanding Officer:

"January 31, 11 p.m. I recommend that a naval  
vessel be sent to Chefoo. Liu Chen Nien is now adopting  
<sup>1</sup>beligerent attitude and desirous of trying out his strength  
against the Japanese. The Japanese Consul here informed  
me that their action would be contingent on what Liu does.  
Therefore in case <sup>of</sup> hostilities or trouble here and with  
American war ship at Chefoo we could, if it <sup>becomes</sup> <sub>becomes</sub>  
necessary, withdraw our nationals.

Three Japanese war ships now in port. Chefoo  
quiet but feeling running high."

For the Minister.

PERKINS.

WSB

F/DEW

793.94/3787

FILED

FEB 8 1932

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note to Chefoo  
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811.30 Asiatic  
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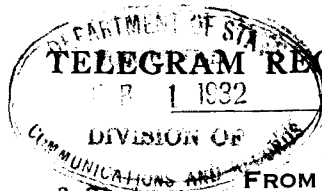
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MSP

GRAY

EE

Nanking



Received January 31, 1932

Rec'd 1:40 p.m.

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

Secretary of State,

FROM

Washington.

24, January 31, 11 p.m.

My 21, January 31, 10 a.m.

One. Four Japanese destroyers arrived cleared for action and in view of the recent hostilities between Chinese and Japanese at Shanghai I have given anxious consideration to advisability of advising community of 170 Americans to evacuate. After calling on Vice Minister for Foreign Affairs Hsu Ho at 12 noon the Japanese Consul then called on me. He expressed fear that the removal of the Chinese Government might weaken discipline and lead Nineteenth Route army to take some hostile action. I told him that T. V. Soong had assured me that the Chinese Government earnestly desired to avoid any incident at Nanking, but that in spite of this assurance and the assurances received from the Japanese Consul himself that Japanese naval vessels would take no initiative in fire action I felt the greatest anxiety for American residents because of the possibility that some accident or misunderstanding might precipitate firing between the Japanese ships and Chinese batteries. He was surprised to learn that Soong was in Nanking, and very shortly left to see him. Subsequently he returned and told me Soong had talked at length, even about the Manchurian question.

He

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FEB 8 1932



MSP

2- #24 From Nanking January 31, 1932

He said he had asked Soong on behalf of his Government whether the Chinese Government would consent to exchange with the Japanese Government promises to cease all hostile military action and Soong had replied that without more complete information he could not give a definite answer.

I said if I could do anything personally to facilitate an agreement on this point I would gladly do so. We again discussed the dangerous situation at Nanking. The

Consul stated that the Japanese Japanese/naval vessels had not assembled at Nanking in order to overawe the Chinese Government nor would they take fire action to prevent movements of troops or munitions. He said they had been sent to Nanking merely to protect Japanese life and property on the Yangtze and would be sent where needed. I said, on behalf of myself and my Consular colleagues, that we nevertheless felt deep anxiety for our nationals because of danger that an accident or blunder on either side might precipitate hostilities and I ventured to observe that this risk would be so acute if the Japanese naval vessels were at some other place than Nanking. I also said that while I was hourly considering the advisability of advising my nationals to evacuate. One thing that deterred me was my earnest desire to avoid anything that might increase the tension between China and Japanese and I feared that if my British colleague and I advised evacuation this might be construed as anticipation of hostile action by

Japanese

MSP

3-#24 From Nanking January 31, 1932

Japanese navy against the capitol of China. He expressed sympathy with this view and said he wished to present it to Japanese naval and diplomatic officials. As Consular official he understood my anxiety.

Two. Meeting of representative Americans was held and situation thoroughly explained to them. Consul Meyer told them commercial vessel would leave this evening but general decision was not to evacuate.

Three. I summoned meeting of British and French Consuls and British and American senior naval officers. After prolonged discussion we decided not to advise evacuation but await further developments. Naval officers agreed that the situation had acutely dangerous possibilities. Signal officers are stationed at the Consulate General and Standard Oil residence affording speedy communication with the American destroyer and evacuation plans are prepared. British firm has detained steamer until February 1, 12 noon. Repeated to Department and Legation.

PECK

HPD

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

M

FROM

Secretary of State

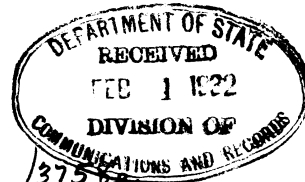
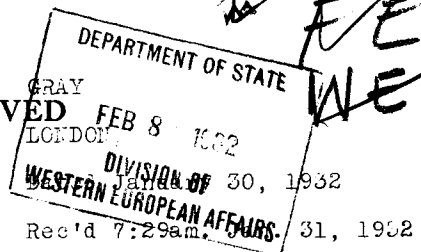
Washington

34, January 30, 12am.

Department's telegram No. 43, January 30, 8pm.

has been delivered.

WSB



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793.94/3789

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1692  
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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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TELEGRAM RECEIVED

REP

FROM

PLAIN

Peiping via N. R.

Dated February 1, 1932

Rec'd 8:50 p. m.

793.94  
note S  
893.102  
DEPARTMENT OF STATE  
RECEIVED  
FEB 1 1932  
DIVISION OF  
COMMUNICATIONS AND  
CONSULS

Secretary of State,  
Washington.

170, February 1, 1 p. m.

Following from Reuter, Tokyo, January 31:

"Unless the Chinese stop sending reenforcements or withdraw to a safe distance, not only will the position of the Japanese marines but also the International Settlement itself be exposed to danger of the gravest nature, solemnly declared Mr. Yoshizawa, the Japanese Foreign Minister, when telling foreign correspondents the gist of his conversation with the British, American and French Ambassador, whom he summoned to the Foreign Office this afternoon for the purpose of removing misapprehensions and misunderstandings and requesting them to ask their respective governments to take up the matter and to use their influence to persuade the Chinese to withdraw.

Japan would welcome the appointment of a League Commission to investigate the Shanghai situation as she wants the League to see the true position there, declared a foreign

F/LS 793.94/3790

FILED

FEB 8 1932

REP

2- #170, from Feiping, Feb. 1, 1p.m

a foreign office spokesman, though he intimated that Japan would be unable to recognize the binding force of such a commission's recommendations.

Mr. Yoshizawa, when seeing the correspondents as mentioned above, made no attempt to conceal his anxiety. He prefixed his warning with a chronological narration of the main developments since January 21. He asserted that both the initial clash on January 28 and the violation of the truce on January 30 were precipitated by the Chinese opening fire stating that reports indicated that General Chiang Kai Shek was concentrating thirty thousand troops in the vicinity of Shanghai, had ordered four squadrons of aircraft to proceed to Soochow and was planning to launch an offensive soon as reinforcements arrived, Mr. Yoshizawa declared that, Japan was obliged to consider what steps to take to cope with the emergency. Mr. Yoshizawa stated that the Japanese army would probably be compelled to dispatch troops if the powers fail to induce the Chinese to withdraw as Japan was not prepared to risk the annihilation of his marines who had been landed in Shanghai. Emphasizing the imminent danger, he declared that the only hope of averting it was that the Chinese should accede to joint pressure from the British, Americans

169  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

3- #170, from Peiping, Feb. 1, 1 p.m.

Americans and French and withdraw.

Concluding, the Foreign Minister stated that the Ambassadors had verbally communicated the views of their respective Governments but the communications were representations and not protests. Moreover they were not identic but on the other hand they all approached the question from different angles."

FOR THE MINISTER

PERKINS

WSB

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

TELEGRAM RECEIVED

REF

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

FROM

SHANGHAI

Dated February 1, 1932

Rec'd 9:10 a. m.

Secretary of State,  
Washington.

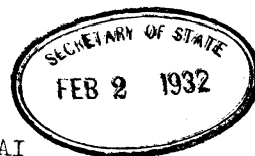
February 1, 6 p. m.

Wellington Koo called quite unofficially and stated  
that he had been in conference with Chinese municipal  
authorities in regard to our conference with the  
Japanese and Chinese. Koo expressed the hope that  
those powers concerned endeavor to secure the approval  
of Tokio to the proposal for the Japanese to withdraw  
from the tongue. I venture to express the belief that  
if the approval for the Japanese to vacate the tongue  
could be obtained from the Japanese Government it  
would contribute very greatly toward relieving the  
tension here in Shanghai as the tongue would then be  
patrolled by neutral troops. Reference to last paragraph  
of my January 31, 11 p. m.

Repeated to the Legation and to Nanking.

CUNNINGHAM

RR  
WSB



F/LS 793.94/3791

FILED

FEB 5 1932

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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TELEGRAM RECEIVED

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MET  
RECEIVED  
1 1932  
DIVISION OF  
COMMUNICATIONS

GRAY

FROM Shanghai via N.R.

Dated February 1, 1932

Rec'd 9:20 a.m.

*793.94  
note  
893.1025*

Secretary of State,  
Washington

PRIORITY.

February 1, 2 p.m.

*SA*  
*2*  
*file*  
*new* *4*

F/DEW

793.94/3792

Referring to my telegram of February 1, 1 a.m., the  
truce continues in about the same manner that it has for  
some days. This morning the firing was exceedingly violent  
and it appeared that the truce had become ineffective.  
Both Chinese and Japanese with excitement emphasized the  
breach of the agreement but I am glad to say it continues.  
to obtain.

Every day the truce continues is of very great value  
to the Settlement and defense forces as time assists them  
in tranquilizing the mass of Chinese rushing into the  
emergency and also those who madly but wisely flee from the  
Japanese to other sectors of the Settlement. The present  
disturbances present new and different difficulties from  
previous ones. Practically every man is armed and therefore  
sniping is evident and widespread. Firearms have replaced  
the

FILED  
FEB 8 1932



1695  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2-from Shanghai via N.R.,  
February 1, 2 p.m.

the propaganda circular. Sniping at present is directed particularly against the Japanese and unfortunately the heretofore Japanese are as /. defenders of the Settlement but as a matter of fact may be regarded as at war with the Chinese. Therefore, the Japanese sector is fast being evacuated by Chinese.

Repeated to the Legation and Nanking.

CUNNINGHAM

WSB

1695  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

NO. 5311

COPIES SENT TO  
~~C.N.I. AND M.I.D.~~

AMERICAN CONSULATE GENERAL

HARBIN CHINA, January 6, 1932.

FEB 1 32

SUBJECT: CONDITIONS AT TSITSIHAR.

THE HONORABLE

THE SECRETARY OF STATE

WASHINGTON

SIR:

1/ I have the honor to enclose herewith, for  
the information of the Department, a copy of my  
despatch No. 2304, of even date, sent to the  
Legation in regard to conditions at Tsitsihar,  
Heilungchiang Province.

Respectfully yours,

*G. C. Hanson*  
G. C. Hanson  
American Consul General.

1 enclosure as above indicated.

800  
TH/th

F/DEW

793.94/3793

FILED

FEB 6 1932

No. 3304

AMERICAN CONSULATE GENERAL

HARBIN CHINA, January 6, 1932

SUBJECT: CONDITIONS AT TSITSIKAR

The Honorable

Nelson Trusler Johnson

American Minister,

Peiping, China

Sir:

793.94  
I have the honor to report that a reliable American citizen writing from Tsitsikar under date of January 2nd, 1932, has stated that the city is quite peaceful. On New Year's Day the main street was decked out in the flags of the Republic of China, the first time Chinese flags have been in evidence there since the coming of Japanese troops. While there still are Japanese troops in the city their number appears to be small. There are also a number of Chinese troops, which have apparently come from Harbin and which are under the orders of General Chang Ching Hui, the Civil Administrator of the Special Area. The Chinese population of the town appears to have the idea that these Chinese troops are brigands dressed up in trim uniforms. Business is going on as usual and the residents of the town go about their customary duties. This American received the impression that the Japanese in Tsitsikar did not highly esteem Americans.

893.911  
He also stated that for a number of days the Japanese have prevented Chinese newspapers from Harbin and elsewhere being delivered by the Tsitsikar Post Office, while newspapers in the English language are delivered properly. The Tsitsikar Post Office was also unable for several weeks to issue money

-orders-

1695  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

-2-

orders on other parts of China, even on Harbin, but this business was recently resumed. The Post Office requires Harbin money or Harbin-stamped Heilungchiang money for the issuance of money orders.

69371  
About December 17th a mail truck carrying mail from Tsitsihar to Mabeihou, on the Amur, was attacked by bandits at a point north of Tsitsihar, and two postal employees were shot dead.

Respectfully yours,

W. C. Hanson  
American Consul General

800  
TLI/tll

Copy has been sent to the Department.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustig NARS, Date 12-18-75

TELEGRAM RECEIVED

RECEIVED



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

FROM SHANGHAI

Dated February 1, 1932

Rec'd 9:10 a. m.

Secretary of State,  
Washington.

February 1, 6 p. m.

Wellington Koo called quite unofficially and stated

that he had been in conference with Chinese municipal  
authorities in regard to our conference with the  
Japanese and Chinese. Koo expressed the hope that  
those powers concerned endeavor to secure the approval  
of Tokio to the proposal for the Japanese to withdraw  
from the tongue. I venture to express the belief that  
if the approval for the Japanese to vacate the tongue  
could be obtained from the Japanese Government it  
would contribute very greatly toward relieving the  
tension here in Shanghai as the tongue would then be  
patrolled by neutral troops. Reference to last paragraph  
of my January 31, 11 p. m.

Repeated to the Legation and to Nanking.

CUNNINGHAM

RR  
WSB

F/LS

793.94/3791

FILED

FEB 5 1932

793.94  
notes  
893.102

*Handwritten signatures and initials*

696  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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

MET

RECEIVED

1 1932

GRAY

DIVISION OF

FROM

Shanghai via N.R.

Dated February 1, 1932

Rec'd 9:20 a.m.

Secretary of State,

Washington

PRIORITY.

February 1, 2 p.m.

Referring to my telegram of February 1, 1 a.m., the  
truce continues in about the same manner that it has for  
some days. This morning the firing was exceedingly violent  
and it appeared that the truce had become ineffective.  
Both Chinese and Japanese with excitement emphasized the  
breach of the agreement but I am glad to say it continues.  
to obtain.

Every day the truce continues is of very great value  
to the Settlement and defense forces as time assists them  
in tranquilizing the mass of Chinese rushing into the  
emergency and also those who madly but wisely flee from the  
Japanese to other sectors of the Settlement. The present  
disturbances present new and different difficulties from  
previous ones. Practically every man is armed and therefore  
sniping is evident and widespread. Firearms have replaced  
the

F/DEW

793.94/3792

FILED

FEB 8 1932

793.94  
note  
893.1025

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2--from Shanghai via N.R.,  
February 1, 2 p.m.

the propaganda circular. Sniping at present is directed particularly against the Japanese and unfortunately the heretofore Japanese are as / defenders of the Settlement but as a matter of fact may be regarded as at war with the Chinese. Therefore, the Japanese sector is fast being evacuated by Chinese.

Repeated to the Legation and Nanking.

CUNNINGHAM

WSB

698

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

NO. 5311

COPIES SENT TO  
~~G.A.I. AND M.I.D.~~

FE  
a-c/c

AMERICAN CONSULATE GENERAL

HARBIN CHINA, January 6, 1932.

FEB 1 32

793  
note  
899.911  
899.71

DEPARTMENT OF STATE  
RECEIVED  
FEB 1 1932  
U.S. DEPT. OF STATE  
HARBIN CHINA

SUBJECT: CONDITIONS AT TSITSIHAR.

(21)

THE HONORABLE

THE SECRETARY OF STATE

WASHINGTON

FEB 1 1932  
U.S. DEPT. OF STATE  
HARBIN CHINA

F/DEW

793.94/3793

SIR:

- 1/ I have the honor to enclose herewith, for the information of the Department, a copy of my despatch No. 2304, of even date, sent to the Legation in regard to conditions at Tsitsihar, Heilungchiang Province.

FEB 6 1932

FILED

Respectfully yours,

*G. C. Hanson*

G. C. Hanson  
American Consul General.

1 enclosure as above indicated.

800  
TH/th



No. 2304

AMERICAN CONSULATE GENERAL

HARBIN CHINA, January 6, 1932

SUBJECT: CONDITIONS AT TAITSIKAR

The Honorable

Nelson Trusler Johnson

American Minister,

Peiping, China

Sir:

793.94

I have the honor to report that a reliable American citizen writing from Taitzikar under date of January 2nd, 1932, has stated that the city is quite peaceful. On New Year's Day the main street was decked out in the flags of the Republic of China, the first time Chinese flags have been in evidence there since the coming of Japanese troops. While there still are Japanese troops in the city their number appears to be small. There are also a number of Chinese troops, which have apparently come from Harbin and which are under the orders of General Chang Ching Hui, the Civil Administrator of the Special Area. The Chinese population of the town appears to have the idea that these Chinese troops are brigands dressed up in trim uniforms. Business is going on as usual and the residents of the town go about their customary duties. This American received the impression that the Japanese in Taitzikar did not highly esteem Americans.

893.911

He also stated that for a number of days the Japanese have prevented Chinese newspapers from Harbin and elsewhere being delivered by the Taitzikar Post Office, while newspapers in the English language are delivered properly. The Taitzikar Post Office was also unable for several weeks to issue money

-orders-

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

-2-

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69371  
About December 17th a mail truck carrying mail from Tsitsikar to Mabeih, on the Amur, was attacked by bandits at a point north of Tsitsikar, and two postal employees were shot dead.

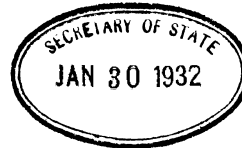
Respectfully yours,

G. C. Hanson  
American Consul General

800  
TLI/tll

Copy has been sent to the Department.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75



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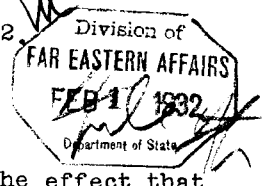
Handed down by A. Smith  
C. L. Smith, Jr. 1/2/32

793.94  
note

893.1025

Telegram from Sir J. Simon to His Majesty's Ambassador  
TOINNO S. ANVILTHOS at Tokio, January 29th, 1932

286162 NAV



F/DEW

793.94/3794

RECEIVED

Information has reached me to the effect that Chinese authorities at Shanghai yesterday acceded to all the Japanese demands and that their reply was accepted by Japanese Consul-General as satisfactory. It was believed therefore that crisis had passed and both Consul-General at Shanghai and Mr. Ingram were informed by their Japanese colleagues to that effect. Nevertheless though so far as I am aware no new facts had arisen to alter situation Japanese forces attacked during the night densely crowded Chinese suburb of Chapel adjoining International Settlement. I understand that excuse advanced for this action was presence of certain unreliable Chinese troops in this district. This however was not new factor; presence of ill disciplined Chinese soldiery may almost be regarded as one of the permanent features of every situation in China, and in present case affords no justification for precipitate action of Japanese forces in violation of agreement reached between Chinese authorities and local representatives of Japanese Government. If it is the case as appears from press reports that Chinese military authorities were actually engaged in sending reliable troops into district to control situation in accordance with agreement referred to above when Japanese attack took place this would appear to give a strong prima facie impression that attack was both unprovoked and indefensible.

You should immediately press Japanese Government for an explanation on this point. You should emphasize

fact/

FILED  
FEB 2 1932

393.00  
393.41

fact that it must naturally be a matter of grave concern to His Majesty's Government that such an unabashed ..... attack is made upon a co-signatory of Kellogg Pact and a fellow member of League of Nations and that it would be impossible for His Majesty's Government to acquiesce in International Settlement being used as a base for prosecution of attack. You should further point out that there is a large foreign population in Shanghai and a vast concentration of British and other foreign interests in International Settlement and adjacent areas - as for example railway station and other property of Shanghai-Nanking Railway in Chapei. His Majesty's Government therefore protest strongly against action of Japanese forces which has already gravely endangered foreign life and property and request that Japanese Government will take steps to effectively control those forces with a view to restoring normal condition in Shanghai at earliest possible moment.

-----

Sir J. Simon hopes that the United States Government may be able to send instructions urgently in a similar sense to their Ambassador in Tokio.

He has, in this case, made no communication to any other foreign Power.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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

MET

FROM

GRAY

Amoy (Kulangsu)

Dated February 1, 1932

Rec'd 9:40 a.m.

Secretary of State,  
Washington

February 1, 2 p.m.

Admiral Lin, Commander of the Chinese naval defense

force at Amoy, informs me that although every effort is being made to maintain order under martial law in this port with the assistance of approximately two thousand armed men and a small gunboat for the protection of Japanese and Japanese property he fears outbreak unless hostilities in Shanghai and Manchuria cease quickly, also Japanese boycott enforcement relaxed at present and precautions taken not to give Japanese excuse for landing forces. Absence of American destroyer at Amoy commented upon with regret by Admiral Lin. Japanese Consul's demands in connection with local newspapers for publishing article against the Japanese Emperor fully met and incident closed, according to the Japanese Consul. Three Japanese destroyers in harbor.

F/LS

793.94/3795

FILED

FEB 8 1932

793.94  
note  
893.102 Amoy  
893.00 martial law

893.911  
893.0146

704  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2-from Amoy, February 1, 2 p.m.

harbor. General Chang Chen, commanding the 49th division  
at Changchow, building defenses at junction of river cross-  
ing 17 miles inland from Amoy. Situation tense.

Repeated to Legation.

FRANKLIN

KLP

0705

FE  
~~FE~~

793.94  
note  
893.0146

GRAY

London

Dated February 1, 1932

Rec'd 9:50 a. m.

Secretary of State

Washington.

41, February 1,

Detailed to British Government today, American  
length at Shanghai as follows:

"From paragraph three Department's 44, January 30, 1 p. m., American regular troops 1300, voluntary corps 200, en route from Manila under Admiral Taylor 1000 additional, leaving Manila on transport probably February 1st, as set forth in Department's 46, ~~December~~ 31, 11 p. m., one regiment of 1000 and approximately 400 Marines.

Upon arrival of this transport in Shanghai British Government accordingly understands total American force as detailed above will be approximately 3900 men.

Please keep me advised if this number should vary materially.

ATHERTON

WSB

793.94/3796

**FILED**

01706

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TTED *we*  
ODE  
ODE *cd*  
AIN

February 1, 1931

American Embassy

London.

Your 41, February 1, 1 p.m.

In Department's 44, January 31, 1 p.m. paragraph  
three, last clause, the figure quote one thousand more end-  
quote applied to blue-jackets. Correction should therefore  
be made regarding total land force, which should be  
approximately 2800 plus.

793.94/3796

FE:SKH.



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

February 1, 1931

American Embassy

London.

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FE:SKH.

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM SENT

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

1-138

TO BE TRANSMITTED

CONFIDENTIAL CODE

NONCONFIDENTIAL CODE

PLAIN

Collect

Charge Department

OR

Charge to

\$

Department of State

Washington,

February 1, 1931

American Embassy

London.

Your 41, February 1, 1 p.m.

In Department's 44, January 31, 1 p.m. paragraph

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be made regarding total land force, which should be  
approximately 2800 plus.

793.94/3796

FE:SKH.

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_, \_\_\_\_\_

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1919 1-138

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

AM REC'D



FEB 1 1932

CHINESE LEGATION

THE UNDER SECRETARY WASHINGTON

FEB 1 1932

DEPARTMENT OF STATE

FE  
DCA

793.94  
note S  
893.102

The Chinese Chargé d'Affaires ad interim presents  
his compliments to the Secretary of State and has the  
honor to enclose herewith a copy of a cablegram from  
the Ministry of Foreign Affairs for his information.

F/LS

793.94/3797



RECEIVED

FEB 2 - 1932

SECRETARY'S OFFICE

✓  
Enclosure:

Copy of cablegram  
as above.

Chinese Legation,

Washington, January 31, 1932.

FILED

MAR 15 1932

Japan on the pretext of certain Japanese monks being beaten presented four demands to the Municipal Government of Greater Shanghai including the punishment of the culprits, indemnification of the sufferers and prohibition of anti-Japanese movements. Anxious not to disturb the commercial relations of Shnghai, the Mayor of Greater Shanghai Municipal Government made at noon of January 28 a reply recognized by the Japanese Consul-General to be satisfactory. To the great surprise the Admiral of the First Japanese Squadron demanded at mid-night of the Greater Shanghai Municipal Government to withdraw the Chinese troops from Chapei and its neighbourhood, and give the place to the Japanese troops for the purpose of defense. In the meantime, the Japanese Admiral dispatched land units to attack the Chinese troops, which continued on January 29, and set Chapei to conflagration by bombs from the Japanese airplanes. As a consequence of these wanton attacks, numerous civilians-inhabitants of this region - were killed; and many Chinese administrative, communication, and educational organizations, as well as important commercial buildings were destroyed. For self-defense and protection the Chinese troops were forced to resist. On the same day at 8 o'clock p.m. on the initiative of the Japanese Consul-General, both sides agreed to cease fighting, but very shortly afterwards fighting again resumed. To-day at 1 o'clock a.m. the Japanese troops violently attacked with their armoured cars and field guns, but they were repulsed. Up to the present, fighting has been continuing with increasing intensity, and the Japanese have been conducting their attacks in an unwarranted manner and without regard to any principles of international law

Copy of translation of cablegram received from Ministry of Foreign Affairs, Nanking, by Chinese Legation, Washington, January 30, 1932.

TELEGRAM RECEIVED

COPIES SENT TO

D.N.I. AND M.I.D.

REP

FROM

GRAY

Peiping via N. R.

Dated February 1, 1932

Rec'd 9:30 a. m.

Secretary of State,  
Washington.

171, February 1, 4 p. m.

Legation's 151, January 29, 8 p. m.

One. Hanson reports January 31, noon, that local Foreign Office confirmed press reports that Japanese and Chinese troops clashed at Shruanchenpu, 51 kilometers from Harbin.

Two. That increasing pressure is being brought to bear by the Soviets to permit Russian railway technical staff to aid in transportation of Japanese troops and that Ohashi informed him that Soviets would agree if Chinese railway officials, who are being pressed by Hsichia, Japanese protege, would do likewise.

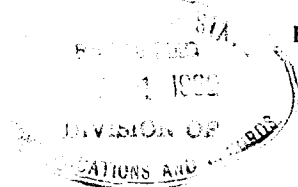
Three. "The board of the railway has protested to the headquarters of the railroad's guard troops against damage being done by other Chinese troops to the railway line and has asked it to take the necessary steps to prevent this. This protest was made evidently to prevent criticism that the railway administration had protested against

F/LS 793.94/3798

FILED

FEB 8 1932

793.94  
note  
761.94  
8617702



W J  
H  
C  
RAY  
H

REP .

2- #171, from Peiping, Feb. 1, 4 p.m.

against Japanese activities on the railway only."

Four. Hanson states it is still uncertain whether  
serious resistance will be offered by Chinese forces to  
Japanese advance.

FOR THE MINISTER

PERKINS

RR

WSB

TELEGRAM RECEIVED

MET

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

Tokio

Dated February 1, 1932

Rec'd 10:45 a.m.

Secretary of State,

Washington

33, February 1, 7 p.m.

Department's 31, January 31, 2 p.m.

I went to see the Foreign Minister, 3:15 this afternoon and delivered almost verbatim your message; he noted it in long hand as usual.

(GRAY) The Foreign Minister stated that according to reports from the Japanese Consul General in Shanghai, the Chinese regular troops, which have been concentrating around the headquarters of the Japanese marines, commenced an offensive together with plain clothes soldiers at about 11 p.m. on the 31st and that the Chinese shells fell in that part of the river where the Japanese flagship was anchored. The Japanese marines were obliged to act against this concentration. Reports, however, state that things are quieter today.

To the Charge contained in your telegram that Japanese forces were utilizing sectors of other nations he said he

had

F/LS

793.94/3799

FILED

FEB 8 1932

793.94  
note  
893.102 S  
494.2393

MET

2-#33 from Tokio, February 1, 7 pm

had no 9nformation that would lead him to believe it but would inquire and inform me.

He seemed greatly troubled at your statement that the Settlement must not be used as a base and asked if that meant that Japan could make no counter-attacks and would have to sit still in their sector under fire which he said would result in the annihilation of the marines; if that was what you meant, he said it was inadmissible. He suggested that after the words "used exclusively for the protection of the Settlement" he would add "and the protection of their nationals". I tried to explain to him that my understanding of your message was that the Settlement should be used and occupied only for the protection of the Settlement and not to be used as a base for offensive operations into the Chinese city outside, but his reply was that the proper defense of the Settlement might require counter-attacking.

The British Ambassador advises me of the proposal of the Shanghai Defense Committees, which Mr. Yoshizawa also spoke of, attributing the suggestion to General Flemming, of the creation of a neutral zone and the withdrawal of the Japanese



MET

3-#33 from Tokio, February 1,  
7 p.m.

Japanese marines to within the position held on the 28th and the withdrawal of the Chinese army also to a safe distance; the neutral zone to be protected by troops of neutral countries. He said that the Chinese Commandant had accepted this proposal but the Japanese Admiral had declined on the ground that it was tantamount to the withdrawal of the whole Japanese population. Sir Francis Lindley has strongly urged the acceptance of this proposal and, at his suggestion, I also urged it strongly, stating that the failure to accept this peaceable solution of the situation would indicate in the eyes of the world that Japan is determined on war.

894.3393  
Naval Attache has been informed of the despatch of three additional cruisers and seven destroyers. This makes a total of twelve cruisers, two airplane carriers, one seaplane tender, thirty-two destroyers, two river gunboats and one mine layer in the Shanghai area (including the Nanking area) or on the way there from Japan. Other ships are reported ready to sail but the Embassy has no confirmation.

0718  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

4-#33 from Tokio, February 1,  
7 p.m.

confirmation.

The Military Attache has been informed by the General Staff that Japanese troops have not yet entered Harbin; that Chinese Eastern Railway officials have agreed to transport Japanese forces anywhere on their line; and that no decision has yet been made to send Japanese army to Shanghai.

Repeated to Peiping.

FORBES

HPD

TELEGRAM RECEIVED

REP

FROM

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

GENEVA

Dated February 1, 1932

Rec'd 11:23 a. m.

Secretary of State,

Washington.

65, February 1, 3 p. m.

One. There have been persistent rumors here of a  
declaration of war on the part of China.

Two. The Secretary General and Council members have  
impressed on Yen the extreme disadvantage in which  
China would be placed should she take such a step  
particularly in the face of her recent appeal under  
Article 15 of the Covenant (see Article 12 of the  
Covenant, paragraph one) and the consequent great  
tactical advantage under the provisions of the Covenant  
which a declaration of war by China would give Japan.

Three. I learn that Yen while asserting that these  
rumors are entirely unfounded and that China has no  
intention whatsoever of declaring war has nevertheless  
telegraphed his Government in the strongest terms point-  
ing out the danger of any such a movement.

GILBERT

WSB

F/DEW

793.94/3800

FILED

FEB 8 1932

793.94



CONFIDENTIAL  
DEPARTMENT OF STATE  
THE SECRETARY



January 28, 1932.

MEMORANDUM OF CONVERSATION BETWEEN SECRETARY STIMSON AND  
THE AMBASSADOR OF BELGIUM, MR. PAUL MAY.

Shanghai.

The Belgian Ambassador came in to ask about the situation in Shanghai. I told him that our present interest seemed to be to try to prevent military occupation of the International Settlement so long as the police of that settlement were preserving order. He asked about a blockade. I said that a blockade was a very serious question but that I had not heard from any responsible source that a blockade was intended and I could hardly believe that.

He asked what the possible motives of the Japanese could be in making this new move to Shanghai. I said it seemed to indicate that they had been badly hurt by the Chinese boycott. He said yes, that they were apparently acting against that, but he could not see any legitimate grounds for taking forcible actions to stop a boycott. I said that of course the boycott might be accompanied by Chinese violence. He replied that there seemed to

have

F/DEW

793.94/3801

Confidential File.

FILED

FEB 3 1932

9719  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

THE SECRETARY

- 2 -

have been some of that but that it had been of such limited character that the means used by the Japanese seemed to be rather drastic.

811.30A.7  
811.3393  
I told him that we had vessels in Shanghai and the Yangtze for the protection of American lives and that the Commander of our squadron had power to send ships to augment these if it seemed advisable. This was said in response to his inquiry. He ended with the statement that these were troublesome times.

HLS.

S HLS.BMS

1-128  
PREPARING OFFICE  
WILL INDICATE WHETHER

TELEGRAM SENT

1-138

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Collect  
Charge Department  
OR

Department of State

Charge to

Washington, January 31, 1932

793.94/P  
AMERICAN EMBASSY

LONDON (England)

44  
One. Navy Department has ordered Admiral Taylor, Commander  
Chief United States Asiatic Squadron, Manila, to proceed on  
flagship Houston with available destroyers, ~~to Shanghai~~ <sup>at once</sup>.

Two. Department has instructed Consul General Shanghai that  
there is a project for neutral zone outside of International  
Settlement and that if he considers this practicable and approves,  
American authorities should cooperate.

Three. American regular troops now at Shanghai thirteen  
hundred; Americans in volunteer corps, two hundred; arrival of  
ships from Manila will make available approximately one thousand  
more.

Four. Department wishes it to be understood that ship  
movements and American action involve and imply no repeat no  
threat to anyone but are measures of precaution for ensuring  
safety of American lives and legitimate interests and fulfilling  
our responsibilities in general at Shanghai and other exposed  
ports in the Yangtze and elsewhere in China.

Five. Inform Foreign Office.

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1929 1-138

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect  
Charge Department  
OR

Charge to  
\$

TELEGRAM SENT

Department of State

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Washington, January 31, 1932

RUSH TRIPLE PRIORITY

JAN 31 32

AMERICAN EMBASSY

LONDON (England)

CONFIDENTIAL FOR ATHERTON

793.94/x  
Inform Prime Minister immediately that I have taken  
up with the President the matter discussed between him  
and me by telephone this morning and last evening. We  
feel that for the moment the project should be postponed.  
I shall probably later renew conference with regard to it.

793.94/3801B

Stimson

SKE

FE: SKE

Enciphered by .....

Sent by operator ..... M., ..... 19.....

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1929 1-138

1722

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect  
Charge Department  
OR  
Charge to  
\$

PM REC'D  
TELEGRAM SENT

1-138

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Department of State

This cable was sent in Confidential Code.  
It should be carefully paraphrased  
being communicated to anyone.

Washington,

January 31, 1932.

JAN 31 32

8 jw

AMERICAN CONSUL,

SHANGHAI (CHINA).

CONFIDENTIAL FOR THE MINISTER.

Department's number 35/January 30, 1 p.m.

For your information.

One. An instruction has been sent today to the American Ambassador informing him that the information received from Shanghai indicates that in spite of protests that had been made and the assurances that had been given the Japanese continued to move armed forces through the Settlement and to use the sectors of other nations for both offensive and defensive purposes thereby violating the status of the Settlement and endangering the lives and property of the inhabitants of the Settlement.

Two. The Ambassador was instructed again to make urgent representations to the Minister for Foreign Affairs concerning this situation stating that this Government feels that the Japanese authorities should refrain absolutely from use of the Settlement in any way as a base or channel for

793.94/3801C

Enciphered by .....

Sent by operator ..... M., ..... 19.....

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1925 1-138



10723

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-12-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect  
Charge Department  
OR

Charge to  
\$

## TELEGRAM SENT

1-138

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

## Department of State

Washington,

- 2 -

for activities of their armed forces of any character except those that are used exclusively for the protection of the Settlement. The Ambassador was further instructed that in case the answer received by him from the Minister for Foreign Affairs was not entirely satisfactory he should enter a serious and energetic protest.

Three. Department understands that British Ambassador at Tokyo has been instructed to the same effect.

Four. Inform Nanking confidentially.  
*Stearns*

*SKH*

*RSM*  
FE:RSM:LM

FE

*SKH*

Enciphered by .....

Sent by operator ..... M., ..... 19.....

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1958 1-138

724

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 894.00 P.R./49 FOR desp.#458

FROM Japan ( Forbes ) DATED Jan.15, 1932  
TO NAME 1-1127 oyo

REGARDING: Manchurian dispute.

Withdrawal of the Japanese forces from  
the direction of Chinchow, fate of the  
city the focal point of interest in  
Manchuria. Reports on --.

793.94/3802

fa

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lutefson NARS, Date 12-18-75

79  
In spite of the withdrawal during the latter part of November of Japanese forces from the direction of Chinchow, the focal point of interest in Manchuria during the month of December continued to be that city and its fate. Following the Japanese withdrawal, the Japanese accused the Chinese of bad faith, alleging that the withdrawal had been made because of a promise by the Chinese also to withdraw their military from Chinchow. The Japanese continued to insist that the Chinese had committed in this regard a breach of faith nor, apparently, did the Secretary's detailed explanation of this misunderstanding- as contained in the

Department's

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

Department's telegram No. 268 of December 11th and as transmitted to the Japanese Government by the Ambassador- after the Japanese insistence. Japanese intention with regard to the ultimate disposition of Chinchow was apparently further strengthened by the resolution approved by the Council of the League of Nations on December 11th. As this resolution recognized the claim of the Japanese military to take action for the protection of lives and property of Japanese nationals against bandits and other lawless elements in Manchuria and as the Japanese contended that the forces of Chang Hsueh-liang, by aiding bandit bands, were inimical to the safety of Japanese, a second advance on Chinchow was, in the opinion of most Japanese, entirely justified. Further, the Japanese military frequently issued bulletins of Chinese advances toward Japanese forces and of Chinese preparations at Chinchow for an offensive. Although these reports differed greatly from reports of foreign military observers in Manchuria, they convinced a large section of the Japanese public- and perhaps the military themselves- of the necessity of driving General Chang Hsueh-liang's forces out of Chinchow and south of the Great Wall, if they would not go of their own volition. At the close of the month a retreat of the Chinese forces from Chinchow and an advance by Japanese forces in the direction of that city were reported.

72  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 893.51/5605 FOR Despatch #-

FROM Mukden ( Myers ) DATED Jan.11,1932  
TO NAME 1-1127 0 P 0

REGARDING:

Pledging of Immovable Property to Foreign Banks for  
Loans. Mukden's despatch #519 to Legation, Jan. 9,  
enclosing translation of note dated Dec. 25, 1931,  
from Mukden Settlement Bureau, declaring such action  
after change in affairs on Sept.18,1931, shall be  
null and void. Confiscation of certain property  
likely.

pra

793.94/3803

728

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

793.94

NOTE

SEE 893.00 P.R. AMCY/49 FOR #11 to Legation

FROM Amoy (Franklin) DATED Dec 30, 1931  
TO NAME 1-1127 oro

REGARDING:

Police at Amoy doubled but situation under control. Student demonstrations giving most trouble.

793.94/3804

ek

793-94 While the Japanese Consul, Yoshiaki Miura, appears to think that Admiral Lin is taking chances of losing control in not holding all demonstrations in check as formerly, it is believed by the writer that the Admiral maintains full control as he has handled the situation in a creditable manner for the tranquility of the district so far, and I believe is capable of continuing to do so although he continues to state he is doing it with great difficulty.

On December 19th, last, the guards of soldiers and police in Amoy were doubled as an extra precautionary measure in view of planned student demonstrations, and possibly in view of the reorganization of the Government at Nanking.

General Chen Shun Ma appears to be the students' stimulus. Numerous committees were formed for the purpose of collecting funds to be sent to the above general, their new "patriot".

Students from Amoy are reported to have gone to Canton as well as to Shanghai (Nanking) for "demonstrative" purposes.

JAPANESE

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 893.00/11756 FOR #-

FROM China ( - ) DATED Jan.1,1932  
TO NAME 1-1127 070

REGARDING: Three proposals submitted to First Plenary Session of the  
Central Executive and Central Supervisory Committee, by  
Marshal Feng. Drafts of Marshal Feng's proposals  
concern recovery of lost territory by military force.

tiv

793.94/3805



7 3 1  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 893.00/11754 FOR #D-176

FROM Nanking ( Peck ) DATED Dec.29,1931  
TO \_\_\_\_\_ NAME \_\_\_\_\_ 1-1127 GPO

REGARDING: Memorandum dated Dec.28,1931, regarding evolution of the  
National Emergency Conference, proposed by the Chinese  
Nationalist Party, for purpose of rallying entire  
strength of the nation to meet danger confronting China.

tfr

793.94/3806

No. D-176

AMERICAN CONSULATE GENERAL,  
Nanking, China.

December 29, 1931.

Subject: National Emergency Conference.

The Honorable

The Secretary of State,  
Washington.

Sir:

The leaders of the Chinese Nationalist Party, in spite of their splitting up into factions based more or less on geographical origins, realize the critical danger confronting China and have devised a plan to rally the whole strength of the Nation to meet this danger. There has been considerable discussion of a scheme to convoke a body of men who shall be representative of all classes of society, to devise methods of extricating China from her difficulties. A "National Emergency Commission" was first proposed, then a "National Emergency Conference", and, finally, a "National Salvation Conference". Unfortunately, although the proposal was first discussed in Nanking on November 22, 1931, no body of the sort under consideration has yet been convened. In the intervening month, needless to point out, the difficulties of the Nation from diplomatic reverses, Communistic plotting, financial

stringency,

-2-

stringency, economic depression and unpaid soldiery,  
have greatly increased.

1/ I have the honor to enclose herewith a Memorandum  
dated December 28, 1931, prepared by Mr. Claude A. Buss,  
of this office, giving a short history of the evolution  
of the proposal in question.

Respectfully yours,

Willys R. Peck,  
American Consul General.

Enclosure:

1/ Memorandum dated December 28, 1931. regarding  
The National Emergency Conference.

In quintuplicate to the Department  
In duplicate to the Legation at Peiping.

800

WRP:MCL

Enclosure No. 1 to despatch to the Department No.D-176  
of Willys R. Peck, American Consul General at Nanking,  
China, dated December 29, 1931, entitled "National  
Emergency Conference".

MEMORANDUM

December 28, 1931.

The National Emergency Conference.

The first official expression concerning a  
National Emergency meeting is that of the Fourth National  
Congress of Kuomintang Delegates. This Congress, meeting  
at Nanking on November 22, 1931, resolved:

"that the proposal submitted by the presidium  
relative to the establishment under the direction  
of the Central Kuomintang authorities, of a  
National Emergency Commission (國難委員會)  
to devise plans for the salvation of the nation, be  
adopted and referred to the new Fourth Central  
Executive Committee for execution."

It is to be noted that this resolution mentions  
a Commission (委員會) under the direction of the  
Kuomintang. However, the Central Political Council, in  
the course of its 298th session adopted a resolution  
on December 9, 1931 providing that a "National  
Emergency Conference" (國難會議) be convoked.  
According to the same resolution there was appointed  
a committee of seven members, the purpose of which  
was to formulate satisfactory plans for the convening  
of this Conference. Messers Yu Yu-jen, Tai Chi-tao,  
Yeh Tsu-chang, Li Shih-tseng and Tsai Yuan-pei were  
members of this committee.

The report of the Kuo Min News Agency dated  
the following day (December 10) points out that a  
"conference" (會議) and not a mere "commission"  
(委員會) is contemplated. This report states:

"The National Emergency Conference shall discuss  
ways and means of coping with the present diplomatic

crisis

-2-

crisis....Its members shall be representative leaders of the people including merchants, bankers, industrialists, educationalists and newspaper men."

President Chiang Kai-shek issued a mandate December 11 which declared that:

"pursuant to the resolution of the Fourth National Congress of the Kuomintang, the National Emergency Conference will be called some time this month. Separate instructions in regard to the date of convocation of the Conference, and in regard to the organization of the Conference will be issued."

The Reuter report dated the same day gave more details concerning the purpose and the organization of the Conference.

"It shall deal with the present critical position of public affairs. All the urgent problems now facing the government will be submitted to its consideration. The decisions reached by the Conference will be passed to the National Political Council and through the Council to the Government for execution."

Relative to the organization of the Conference, the report added:

"This Conference will not be confined to members of the Kuomintang only, but will include leading representatives of every section of the nation: political, financial, industrial and commercial... The delegates, who will number between 49 and 99, will be selected from professional bodies, student organizations, industrial and commercial associations; army, navy and air officers appointed by the Government; agricultural and labor experts; Central Executive and Control Committees of the Kuomintang; and presidents of the five Yuan and the various ministers."

In conclusion, there is this significant sentence:

"The Conference will have a presidium of the (?) three members."

It is of interest to note the attitude towards the Conference, of Mr. Wang Ching-wei. The

Shanghai

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

-3-

Shanghai Sin Wan Pao, in its issues of December 13 and December 15, records some significant statements made by Mr. Wang and his partisans. He emphasizes that he insisted upon the convocation of a National Salvation Conference (救國會議), which would differ from the proposed National Emergency Conference in at least two important respects. First, the National Salvation Conference should not be under the direction of the Kuomintang. Not only representatives of the Party; but representatives of organizations of all the people should be the important factors. Second, the National Salvation Conference should be more than a temporary conference. In addition to dealing with the present critical situation, it should be a permanent body through which the voice of the people might find expression. In the words of Tsou Lu:

"It (the Conference) should not only cope with the present situation, but also formulate a future political system of the nature of the 'People's Convention' and 'People's Delegates Conference' prescribed by the late leader. Its duties should therefore lay stress on the following three points:  
 (1) Joint planning to meet the national crisis.  
 (2) Election of delegates to participate in the Government.  
 (3) Bringing to a conclusion the period of political tutelage and bringing to realization the Constitution."

Thus, it can be seen that Mr. Wang Ching-wei has expressed himself in favor of a "National Salvation Conference" (救國會議) and not of a mere "National Emergency Conference" (國難會議).

In the meantime, the Fourth Central Executive Committee has convened its first plenary session. One of the important questions confronting this session

"will be the convocation of a People's National

Salvation

737  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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Salvation Conference as proposed by Mr. Wang Ching-wei. Details of this far-reaching proposal will be threshed out at the session."

This last quotation is extracted from the report of the Kuo Min News Agency dated December 21, 1931.

So far as can be ascertained no conference of the sort described above has yet been organized.

CAB:MCL

0738  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 893.918/64 FOR MEMO

State Department  
FROM Division of Far Eastern (Hornbeck) DATED Jan. 27, 1932  
TO Affairs NAME 1-1127 020

REGARDING: Imposition of press censorship - substance of message from Commander Lammers of the Navy Department if censorship of press is imposed. Navy Department contemplating sending of message to the Commander-in-Chief stating that United States was apprehensive over the possibility that Japanese might establish such censorship. Suggests that attitude between the two Departments should be agreed upon.

fc

793.94/3807



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

## DOCUMENT FILE

### NOTE

SEE 893.918/65 FOR memo.

State Dept.  
FROM Division of Far East (Hamilton) DATED Jan. 26, 1932  
TO ern Affairs NAME 1-1127 0 P 0

REGARDING: Press censorship.

Message phoned by Commander Lammers which he had received from Mr. Bickel of the UNITED PRESS relative to the imposition of press censorship by Japanese authorities. Contemplated message from Navy to Commander-in-Chief in case censorship is imposed.

fc

793.94/3808

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

393.115-Radio Corp. of America

SEE 893.74/946 FOR memo

FROM Division of Far (Hornbeck) DATED Jan. 27, 1932  
TO Eastern Affairs NAME 1-1127 ofo

REGARDING: Threatened interruption of radio communication.

Phone message from Colonel Davis in which  
he read two message from Shecklin, Radio  
Corporation's representative at Shanghai.  
regarding --.

fc

793.94/3809

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 893.00/11753 FOR #D-164

FROM Nanking ( Peck ) DATED Dec. 24, 1931  
TO \_\_\_\_\_ NAME \_\_\_\_\_ 1-1127 000

REGARDING: Delegations of students arriving in Nanking for purpose  
of petitioning National Government to strengthen its  
policy with regard to Manchuria.

793.94/3810

tfv

No.D-164

AMERICAN CONSULATE GENERAL,  
Nanking, China.

December 24, 1931.

Subject: Student Activities in Nanking.

The Honorable

The Secretary of State,  
Washington.

Sir:

I have the honor to enclose with this despatch  
copies, in quintuplicate, of a Memorandum dated  
December 24, 1931, entitled "Student Activities in  
Nanking" which has been prepared by Vice Consul  
Edward T. Wailes.

Respectfully yours,

Willys R. Peck,  
American Consul General.

Enclosure:

Memorandum, as described.

In quintuplicate

800

ETW:MCL

Enclosure to despatch to the Department No.D-164 of  
Willys R. Peck, American Consul General at Nanking,  
China, dated December 24, 1931, entitled "Student  
Activities in Nanking".

MEMORANDUM

Subject: Student Activities in Nanking.

Prepared by : Vice Consul Wailes.

December 24, 1931.

On September 27, 1931, delegations of students from Shanghai and other Yangtze Valley ports commenced to arrive in Nanking for the purpose of petitioning the National Government to strengthen its policy with regard to Manchuria. From that date to the present time Nanking has been the focal point for student delegations from many of the larger cities of North and Central China. At one time during that period it was estimated by an official of the Ministry of Railways that there were as many as twenty five thousand students in the Capital.

The avowed aim of all of the student delegations is to force the National Government to adopt a more militant and firm policy with regard to Japan's occupation of Manchuria. The more radical elements among the students desire war immediately. Although they apparently realize the superiority of the Japanese military organization, they nevertheless feel that any attempt made to recover Manchuria by force of arms would be better than the humiliation of the present policy of inaction. The

conservative

-2-

conservative elements among the students desire that the country prepare for war in case the present negotiations for a peaceful solution of the problem fail.

The fundamental inspiration of the present student movement is "Nationalism" and a desire to serve China in the present time of need. Among the more conservative elements, absence from school and an opportunity to travel to the National Capital also undoubtedly play an important part. The more radical students coming from Shanghai show in their speeches, slogans, and pamphlets, the influence of "wire pulling" on the part of the Wang Ching-wei group in Shanghai and the Cantonese faction. Some influence of Communism is noticeable in the Shanghai delegates and to a much greater extent in the literature circulated by the delegates from Peiping, Tsinan, Suchowfu, and Pengpu.

The student body of Nanking is divided into two factions. The majority of the students from the University of Nanking, an institution closely connected with American missionary enterprises in China, is conservative. The student body of the Central University, a Chinese Institution, is on the whole radical and tinged with Communism. At recent meetings of delegates from all of the schools in Nanking, the radical element, because of a higher degree of organization, although in the minority, has been in control.

Briefly and in chronological order the following events have taken place in Nanking during the last twelve

weeks

0745

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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weeks as a result of the "Student Movement";

On September 28, 1931, over three thousand students arrived in Nanking from Shanghai, joined with the more radical elements of the Nanking student body, and demanded that the National Government take more active steps toward the settlement of the Manchurian question. They denounced the League of Nations and bitterly criticized the Minister for Foreign Affairs, Dr. C. T. Wang, for his inability to secure the positive aid of that organization. Several hundred of them entered his Ministry and inflicted severe injuries upon him. As a result he resigned from office two days later.

From October 1 to November 20, 1931, the student body of Nanking devoted several hours each day to military drill. At the same time they attended their regular classes and maintained order. A few delegates from neighboring cities came to Nanking to question various government officials regarding the policy the Government was taking in Manchuria. No demonstrations of any size or importance took place.

As a result of the fall of Tsitsihar on November 19, 1931, fresh outbreaks of student "Nationalism" became apparent in Nanking. It was estimated that during the ensuing week between twelve and fifteen thousand students arrived in the Capital. On November 26, 1931, a demonstration took place in front of the National Government Headquarters which lasted approximately thirty hours. The students demanded that President Chiang Kai-shek receive them personally and sign in their presence a statement

promising

-4-

promising to proceed to the North on a definite date which he himself should select. They waited twenty eight hours in the rain and cold, before President Chiang appeared and stated that he would receive their petition. He hoped that they would "peacefully seek education, support the Government and fulfill their natural duties as citizens". The Presidents of the various Universities in Shanghai and Nanking were then able to persuade many of the students to return to their homes.

On Saturday November 28, 1931, the National Government issued a mandate appointing Dr. Wellington Koo, Officiating Minister of Foreign Affairs. The following Monday he assumed the duties of this position.

On December 5, 1931, a large demonstration took place in front of the Ministry of Foreign Affairs, but Dr. Koo refused to accede to the students' request that he receive them. On that afternoon, the Government issued a mandate (a copy of which is enclosed) declaring that thereafter all petitions to be submitted to the Government should be in writing and that no organized body of persons should proceed to the Capital for the purpose of presenting petitions. Dr. Koo tendered his resignation the same evening. It is understood that Dr. Koo's resignation was to a considerable extent caused by the student demonstrations directed against the Ministry of Foreign Affairs. The resignation was not accepted at that time and Dr. Koo continued in office.

A meeting of the delegates from the various schools

in



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in Nanking was held on December 7, 1931, and the students issued a statement that they would attend no classes until General Chiang Kai-shek should proceed to the North with his troops.

From December 6, to December 17, in contravention of the Government's mandate of December 5, large numbers of students, principally from North China, arrived daily in Nanking on trains commandeered for the purpose. As described in this Consulate General's despatch to the Department dated December 8, 1931, train service on the Tientsin-Pukow and the Shanghai-Nanking Railway Lines has been badly disrupted on account of the activities of these students. On December 10, 1931, the National Government decided to permit students to come to Nanking as it was felt that they could more easily be kept under control in Nanking than if detained at the railway stations along the two Railway lines. The mandate of December 5, 1931, however, was not officially rescinded.

On December 11, a Special Educational Committee of the Central Political Council was appointed by the National Government for the purpose of dealing with the problems which have arisen as a result of "Student Nationalism". Dr. Tsai Yuan-pei, Chairman of the Committee and President of the Academia Sinica, speaking at the weekly memorial service on December 15, stated that sub-committees had been appointed to consider the questions of military training, lectures on the political situation and means of national defense, and the difficult question of providing accommodation for the large group

of

-6-

of students who have arrived in Nanking. The writer has been reliably informed that the real reasons for organizing the Special Educational Committee were: first, that it was to act as a buffer between the students and the Central Government and, second, that it was to replace temporarily the Ministry of Education which had collapsed due to the pressure brought to bear on it by the students. It is understood that the Special Educational Committee functioned for about one week and then turned its duties over to the Ministry of Education which had been re-organized in the meantime.

At an extraordinary meeting of the Central Executive Committee held on the morning of December 15, the resignation of General Chiang Kai-shek as President of the National Government and President of the Executive Yuan was accepted. While the meeting was in progress, three hundred or more radical students entered the Ministry of Foreign Affairs and caused some damage to the building. The students then proceeded to the Central Party Headquarters where they attacked and injured General Chen Ming-shu and Dr. Tsai Yuan-pei. Armed guards were forced to fire numerous shots into the air in order to quell the riot.

On December 16, a meeting was held by officials of the Central Party Headquarters and student representatives. A report was made on the assault on General Chen and Dr. Tsai, and the student representatives expressed regret for the lack of discipline and order among radical group responsible of the incident. The following day, however, the radical group again attacked

and

-7-

and unsuccessfully attempted to burn the Central Party Headquarters. After being dispersed by troops they proceeded to the office of the Central Daily News, an official Party newspaper, and wrecked the office. A serious clash occurred between the students and the military. Fifty one students and thirty soldiers were reported as injured and one student is known to have been drowned in a nearby canal while attempting to escape. Several hours later the Nanking garrison headquarters announced to the press that "the Government would in the future take drastic measures to control the activities of the students in the capital, and would preserve order at all costs".

At 4 a.m. the following day, December 17, several thousand soldiers surrounded the Central University, the headquarters of the more radical student groups, rounded up the student delegations from outside of Nanking, escorted them to waiting trains and steamers, and sent them under guard to their respective homes. It is understood that a score or more of the leaders of the radical groups have been detained pending examination and possible trial as suspected communists.

With the departure of the more radical elements, the student body of Nanking has maintained order within its ranks. The strike which was declared on December 7, however, is still in effect, and although the authorities of the various schools and universities have attempted to bring pressure to bear on the students by threatening to give no credit for the "Fall Semester", the students have not as yet resumed their studies. It is understood,

however,

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however, that they will return to their classes on December 28.

In spite of the almost daily demonstrations of the last three months, there has been but one life lost and but one building seriously damaged. The police and military have acted under strict orders to maintain the best possible order without creating an incident. With the exception of numerous posters depicting the ineffectiveness of the League of Nations in the present controversy, there appears to have been no evidence of any anti-American or anti-European feeling. That such was feared by the National Government is seen, however, in the fact that squads of soldiers have been detailed to the various Consular and Diplomatic offices.

As of possible interest there are enclosed with this memorandum copies in translation of the following documents: (1) Mandate of the National Government dated December 5, 1931, (2) Demands presented to the Chinese Government by student demonstrators on October 20, 1931. (These demands are typical of the demands presented by the students on numerous occasions) (3) Handbills dropped on the University of Nanking campus by a Chinese Government airplane on December 11, 1931. (4) Government telegram to the Ministry of Education dated December 19, 1931.

ETW:MCL

Enclosure No. 1 to Memorandum prepared by Vice Consul  
Wailles on Student Activities in Nanking.

Mandate of the National Government.

December 5, 1931.

Tr.LI:WRP

Ever since the Mukden incident which occurred on September 18, people from various places, prompted by patriotism, have come to Nanking in crowds to petition, and among these the most numerous have been students from the various schools. Their sense of patriotism is laudable, but whether, in action, they pursue a right or wrong course is something which vitally affects the fate of the nation. There are at present several thousands of young students gathered in the capital to manifest their patriotic ardor. They are indifferent to this waste of their time and the detriment to their studies. This is to be regretted. Moreover, in order that they may come to petition, they have forcibly occupied trains and driven away passengers. They have even beaten station masters and destroyed railway stations, thus violating the laws of the nation and interrupting communications. After their arrival in Nanking, they often transgressed their proper sphere in their actions and speech. These things have caused uneasiness in people's minds and unrest in society. Moreover, during this time of critical foreign relations which are subject to innumerable sudden changes, the officers of the

Government

-2-

Government are working day and night and are still fearful lest they may be remiss. In order to receive the petitioning bodies, they have to divide up and waste their energy which causes great detriment to important affairs. All these matters tend to transform a movement which originated in patriotism into something which brings disaster to the country. Certainly my really patriotic fellow citizens cannot allow themselves to bring about this result.

It should be noted that the real purpose of the presentation of petitions to the government by the people is to express an opinion and request the government's acceptance thereof. Therefore, this mandate is especially issued to inform the public that in the future if any public body has any opinion to express to the government, it may do so by submitting a written petition to the government through its respective local political organization or the principal of a school. Should its proposal be a good one and practicable, the government naturally will not refuse acceptance. As regards the matter of coming to the capital in crowds to petition, this is hereby uniformly prohibited, in order to obviate abandonment of studies and bringing disaster to the country. All provincial and municipal authorities, principals of schools and responsible officers of communication organizations should observe this mandate and strongly advise petitioning bodies against their coming.

During this time when the nation is in extreme distress, the people as a whole should uniformly unite, and

place

-3-

place their confidence in the government and support it,  
for only thus can we resist the insults of foreigners  
and save ourselves from peril and destruction. I ear-  
nestly hope that all will unite in heart and in rectitude  
to observe this mandate, and that each will fulfill his  
natural duty as a patriotic citizen.

President of the National Government

Chiang Chung-cheng

President of the Executive Yuan

Chiang Chung-cheng.

Enclosure No. 2 to Memorandum prepared by Vice Consul  
Wailles on Student Activities in Nanking.

Demands on the Chinese Government  
Presented by Student Demonstrators.

October 20, 1931.

1.--That the student volunteer corps be supplied  
with arms and ammunition.

2.--That the peaceful unification of China be  
hastened.

3.--That the National Government increase its  
military preparations.

Oppose Direct Negotiations

4.--That the National Government oppose direct  
diplomatic negotiations between China and Japan for a  
settlement of the Sino-Japanese crisis in Manchuria.

5.--That there be a restoration of the mass  
movements of the people.

6.--That national traitors be punished.

Want Soviet Friendship

7.--That there be a restoration of diplomatic  
relations between China and Soviet Russia.



Enclosure No. 3 to Memorandum prepared by Vice Consul  
Wailes on Student Activities in Nanking.

Handbills dropped on the University of Nanking Campus  
by a Chinese Government airplane on December 11, 1931.

Patriotic Fellow Students: In all your actions avoid  
causing suffering to your fellow citizens, avoid giving  
joy to arrogant Japan!

If your object is to oppose foreign influence, then  
have confidence in the Government. Lack of confidence  
in the Government means nullifying the power to resist  
foreign influence.

Patriotic Fellow Students: Maintain order. Not main-  
taining order is to help the Imperialists!

Patriotic Fellow Students: Take precautions lest re-  
actionaries in your midst trick you; be careful lest  
the Japanese at your side ridicule you.

Fellow students: The Government has again declared  
(1) that it cannot negotiate directly with Japan; (2)  
that it cannot establish a neutral zone at Chinchow  
but must offer positive resistance; (3) there can be no  
question of joint control of Tientsin. Patriotic Fellow  
students: do not put faith in Japanese propaganda to the  
contrary.

Enclosure No. 4 to Memorandum prepared by Vice Consul  
Wailes on Student Activities in Nanking.

Government telegram to the Ministry of Education dated  
December 19, 1931.

"Since the Manchurian incident occurred, there has been a stream of students coming to the Capital from various places for the purpose of petitioning the Government. The patriotism involved in this procedure should be fostered. However, recent activities of the student bodies in Nanking have in many instances been unreasonable. They have even scorned the Government, bound persons and tried them by torture, interrupted communications, attacked and injured Members of Central Committees. (They have interfered with) innocent pedestrians, handicapped business undertakings and posted reactionary slogans. These actions are frowned upon by the civilians who feel that a grave calamity might result. Some (students) were found to have worn "red" badges and brought with them wooden rods. They wrecked certain Government offices and struck motor cars. In view of the disturbances they have made, it is obvious that their activities have been engineered by the "reds".

"The Government is responsible for maintenance of order. The activities referred to above should have been prohibited and stopped immediately. Nevertheless, they are patriotic movements and it is not feasible to trample them down. The Government has therefore kept silent in the expectation that the students might

realize

-2-

realize and rectify their wrong doings. Unfortunately, the "red" elements have become more active and forced the other students to engage in acts of greater violence. Unless strong action is taken to stop such violence, there will be no way by which laws can be upheld and order maintained.

"At the time of national crisis, youths in schools should study hard in order to prepare themselves to serve the country. Even this may not be sufficient to save the country from disaster. Now they have given up their studies, violated laws and attempted to render it impossible for the Government to preserve peace. These actions are no less disastrous than foreign agressions. This is to be regretted. The Ministry of Education should issue a circular order to the students of all schools in the country that they must, during the present critical conditions, diligently study so as to save the country. They must not permit others to make capital of their patriotic motives. They must not give opportunity to the "reds" to bring calamity to the country. If any of them have joined blindly in wrong acts, they should withdraw immediately and repent. They must take every care not to do wrong thus endangering themselves and their country. The students in Nanking should be sent back to school to resume their studies.

"This instruction is hereby issued to the Ministry of Education which is instructed to issue a circular order to the students of all schools in the country for uniform adherence."

10758  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 893.01/460 FOR tel # 1pm

FROM China ( Perkings ) DATED Jan 31, 1932  
TO NAME 1-1127 000

REGARDING:

Government removed to Loyang, Honan but Ministers of War and Finance  
and Minister of Foreign Affairs will remain in Nanking.

ek

793.94/3811

REP

TELEGRAM RECEIVED

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

Riga

Dated February 1, 1932

Rec'd 1:25 p. m.

FROM

Secretary of State,  
Washington.

19, February 1, 6 p. m.

PRAVDA January 30th reports interview between Japanese Ambassador Hiroto and Karakhan concerning transportation Japanese troops on Chinese Eastern. Hiroto instructed to declare that troops were sent to Harbin only to defend lives and interests of Japanese subjects, Japanese Government has no intention infringing upon interests of railway and will pay for transportation. Karakhan replied that conduct of Japanese authorities in Harbin region had led to very misunderstanding Japanese Government wishes to avoid, Japanese troops having entrained and moved north 12 hours before permission was asked of Kuznetsov, Vice-President of Chinese Eastern, furthermore that transportation of troops depends primarily on Chinese railway authorities, if they find possible to transport Japanese troops toward Harbin region Russia has no reason to oppose provided interests of Chinese Eastern not affected. Instruction in this sense sent to Kuznetsov, January 28.

WSB - HPD

EASTERN EUROPEAN AFFAIRS.

MAR 24 1932

DEPARTMENT OF STATE

SKINNER

F/LS 793.94/3812

FEB 8 1932

FILED

7/93.94  
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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect  
Charge Department  
OR

Charge to  
\$

DM REE TELEGRAM SENT

Department of State



Washington,

1-138  
TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

January 31, 1932

JAN 31 32

American Embassy,

London,

46 Orders sent to Manila to embark one regiment army  
and approximately <sup>400</sup> ~~300~~ marines on transport leaving Manila  
probably February first for Shanghai. Total approximately  
~~1250~~ 1400.

Telegraph Room:

Same to American Consulate, Shanghai. 11/2m

Add "REPEAT to NANKING and to TOR 40"

FE:SKH

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1928 1-138

793.94/3812A

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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COPIES SENT TO  
EDN. I. AND M. I. D.

cib

FROM

PLAIN

Peiping

Dated February 1, 1932

Recd 3:05 a.m.

SECRETARY OF STATE  
FEB 2 1932

RECEIVED  
DIVISION OF  
EASTERN AFFAIRS  
FEB 2 1932

THE UNDER SECRETARY

FEB 2 1932

Secretary of State DEPARTMENT OF STATE

Washington.

167, February 1, 10 a.m.

Following from Reuter Shanghai, January 31st:

"Friday's huge conflagrations in Chapei have

died down after the destruction of over 1,000 houses and  
a number of warehouses and factories. The damage amounts  
to more than pounds one million.

Another huge block of buildings in North Szechuan  
Road, including the Odeon Cinema, the Kwangtung theatre  
and several palatial Chinese residences were gutted last  
night. Chinese eye witnesses assert that the fire was  
started by Japanese marines with kerosene, to which report  
the Japanese Consul General replies: "should such be the  
case, it was intended to wipe out

(END SECTION ONE)

PERKINS

JS

F/LS  
793.94/3813

FILED

FEB 5 1932

793.94  
note  
893.102-S

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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EDN.I. AND M.I.D.

cib

FROM

PLAIN

Peiping

Dated February 1, 1932

Recd 3:05 a.m.

Secretary of State

THE UNDER SECRETARY

FEB 2 1932

DEPARTMENT OF STATE

Washington.

167, February 1, 10 a.m.

Following from Reuter Shanghai, January 31st:

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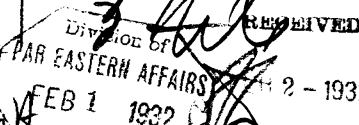
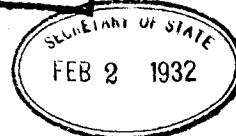
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Another huge block of buildings in North Szechuan  
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case, it was intended to wipe out

(END SECTION ONE)

PERKINS

JS



SECRETARY'S OFFICE

F/LS  
793.94/3813

FILED

FEB 5 1932

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note  
893.102-S



TELEGRAM RECEIVED

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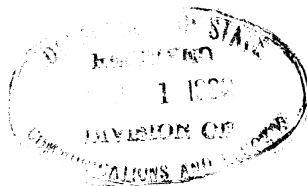
FROM

PLAIN

Peiping

Dated February 1, 1932

Recd 3:05 a.m.



Secretary of State

Washington.

167, February 1, 10 a.m. (SECTION TWO)

snipers, who have proved such a deadly menace to our soldiers."

The Japanese have taken over complete control of the Hongkew area of the International Settlement from Soochow Creek northwards and the functions of the municipal police there have been largely usurped by Japanese plain clothes "reservists" wearing brassards and armed with revolvers, bayonets, sword sticks and even tomahawks, who are holding up all motor cars and pedestrians.

The activities of the Japanese reservists are extending westward of Soochow Creek. United States marines have arrested 27 armed Japanese reservists in

(END SECTION TWO)

PERKINS

JS

764

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 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

# TELEGRAM RECEIVED PLAIN

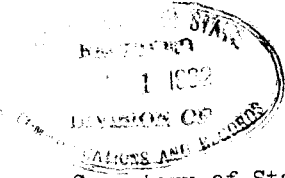
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FROM

Peiping

Dated February 1, 1932

Recd 4:40 a.m.



Secretary of State

Washington.

167, February 1, 10 a.m. (SECTION THREE)

their sector while Japanese marines have established  
 a sand bag post in Robinson Road in the Jessfield area.

Food shortage and labor troubles threaten to  
 make the imbroglio here still more complex. It is  
 declared that there is less than 3 days meat supply  
 left in the International Settlement while the prospect  
 of adequate fresh supplies is remote. Similarly  
 vegetables are very scarce in Hongkew market, which  
 has been destroyed by vendors owing to two market men  
 who were alleged to be snipers, being shot dead by  
 Japanese on Friday morning.

At least half a million people are idle owing to  
 the closing down of cotton mills, silk filatures, banks,  
 ships, et cetera.

The municipal

-(END SECTION THREE)

JS

PERKINS

1765  
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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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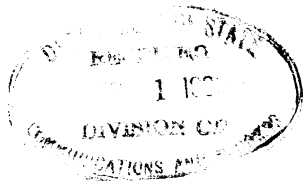
FROM

PLAIN

Peiping

Dated February 1, 1932

Recd 4:40 a.m.



Secretary of State

Washington.

167, February 1, 10 a.m. (SECTION FOUR)

police reported at 7:15 a.m. that all was quiet except at Hongkew, where there was occasional sniping and a little machine gun firing during the night.

A peace conference between Japanese and Chinese, with the British and American consuls presiding, sat this morning with Brigadier Fleming also attending the meeting.

The British consular authorities, interviewed by a Reuter correspondent after the morning's meeting, indicated the possibility of an agreement being envolved by which the Japanese troops would withdraw to their original positions and the Chinese troops to a radius two thousand meters from the International Settlement, but the situation is still regarded as very grave.

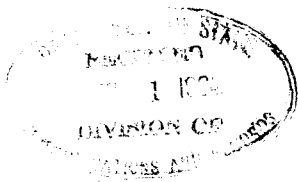
(END SECTION FOUR)

JS

PERKINS

TELEGRAM RECEIVED PLAIN

cib



FROM

Peiping

Dated February 1, 1932

Recd 4:40 a.m.

Secretary of State

Washington.

167, February 1, 10 a.m. (SECTION FIVE)

Incessant sniping continues along the border  
of the settlement beyond Soochow Creek.

It is learned from a reliable quarter that 17  
truck loads of Japanese dead marines and sailors have  
been removed from the fighting area to the docks.

Teeming Chinese crowds are still pouring into  
the settlement from Hongkew District and the streets  
are in a wild state of confusion. Special police patrols  
with drawn revolvers are assisting the municipal police  
who are working desperately to maintain order in the  
congested streets through which ambulances and fire  
engines are making their way to various parts of the  
settlement.

*of message*  
(END ~~SECTION FIVE~~)

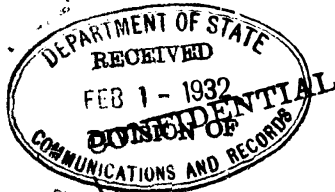
*DAS.*  
*per D.W.*

For the Minister

JS

PERKINS

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Guttsman NARS, Date 12-18-75



CONFIDENTIAL  
DEPARTMENT OF STATE

THE SECRETARY

January 28, 1932.

MEMORANDUM OF CONVERSATION BETWEEN SECRETARY STIMSON AND  
THE AMBASSADOR OF ITALY, NOBILE GIACOMO DE MARTINO.

Shanghai.

The Italian Ambassador called and asked me about the situation in Shanghai and whether I had any news that had not appeared in the papers. I told him that our chief and direct interest at the present seemed to be to prevent any military occupation of the International Settlement unless the municipal police protection entirely broke down, and in that case, that it should come through the joint action of the Board of Consuls rather than through any one power. I said that I had made verbal inquiries of Tokyo on this subject expressing that hope.

793.94112

The Ambassador then said he had heard rumors of a blockade and it had seemed to him very serious. I said yes, such a proposition was so serious that I could not believe it would be attempted; that I did not see how any power could blockade a port without declaring war, unless it wished to make itself liable for all damages committed to neutral ships. He agreed and said we had learned that in our early days of international law. He then asked me whether we were going to send individual ships to protect our nationals, and I told him that we always had ships

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

THE SECRETARY

- 2 -

ships there; that there were a number there now and  
that the Commander of the Asiatic squadrons had power  
to send more if they were necessary.

HLS.

S HLS:BMS

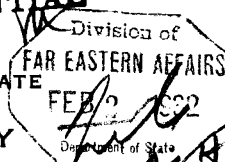
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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

CONFIDENTIAL



DEPARTMENT OF STATE

THE SECRETARY



January 28, 1932.

MEMORANDUM OF CONVERSATION BETWEEN SECRETARY STIMSON AND  
THE MINISTER OF THE NETHERLANDS, MR. J. H. VAN ROYEN.

Shanghai.

The Dutch Minister started off by saying with an air of excitement that his country was very much interested in the developments in Shanghai, so I interrupted him by saying jocularly, "So she is beginning to wake up." He laughed vigorously and said I had a right to say it. He wanted to know what the situation in Shanghai meant and what I thought of it.

I told the Minister that we were of course very much interested because we had large trade interests there, as well as many other interests, but that so far as I could see at the present, Japan was proposing to protect the life and property of her nationals and our main object was to protect the International Settlement, in which we had such a direct interest, from military occupation so long as the municipal police there were able to maintain internal order. He asked if it was not extraordinary for Japan to be taking these steps in regard to the boycott. I told him that I could not see how a boycott alone gave any rights to use force to prevent it, but that apparently

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ATTEND  
FEB 4 1932

DEPARTMENT OF STATE

THE SECRETARY

- 2 -

here Japan claimed that this boycott was accompanied by violence against her nationals. He said that there were indications of further action. I said that I had heard rumors to that effect but that no suggestion had been made to me from a responsible source and that we would take up such matters when they came.

The Minister said that Holland was extremely interested because this situation was so near Java and Java had a very large trade with China and it would be a very serious thing for Holland to have their trade interrupted, especially now when times were so hard.

761.94  
He asked about the attitude of Russia. I replied that I had no means of knowing. He said that it was singular that Russia had kept so quiet for such a long time; that one would think she would make protest. He also said he had seen a press report from Moscow to the effect that Russia had made a treaty with Mongolia by which Russia would be compensated by Mongolia for anything that she lost to Japan. I asked if Mongolia was not part of China and if Nanking had said anything in regard to this. He replied, yes, that Mongolia was a part of China, and it was surprising that nothing had been said, particularly



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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

THE SECRETARY

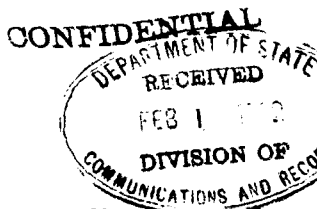
- 3 -

ticularly among our very active press here, who he  
thought would have considered this an interesting story.  
I told him that I had not seen it.

HLS.

S HLS:BMS

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75



CONFIDENTIAL  
DEPARTMENT OF STATE  
THE SECRETARY

January 28, 1932.

MEMORANDUM OF CONVERSATION BETWEEN SECRETARY STIMSON AND  
THE AMBASSADOR OF FRANCE, MR. PAUL CLAUDEL.

Shanghai.

I had asked the French Ambassador when I saw him last night at dinner to come here this morning. I now told him that I only wished to talk over with him the situation at Shanghai so that we could understand each other; that the propositions which I saw looming up as important were first, the interest which all foreign countries interested in the International Settlement have in common of postponing any military occupation of that Settlement by the Japanese until the local authorities have shown their inability to protect life and property therein. I pointed out that the International Settlement had a very good police force and was in that respect entirely differentiated from the rest of China. He acquiesced and interrupted to say that even when the municipal police broke down, the appeal should then be made not to Japan but to the Board of Consuls, in order that the protecting should be done by all the forces instead of by the Japanese alone. I said that I agreed with that absolutely, and I told him that I had sent a verbal inquiry to Tokyo asking

the



F/LS 793.94/3816

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FEB 4 1932

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DEPARTMENT OF STATE

THE SECRETARY

- 2 -

the intentions of the Japanese on this point and expressing the hope that they would follow this line of action.

793.94112  
In the second place, I said that the press had mentioned the danger of a blockade and that was a very much more serious problem if it came, but I had had no news from the Japanese Government indicating that it might come; that I did not see how the Japanese could blockade Port Shanghai without either declaring war on the one hand, or on the other hand, making themselves liable to us in case they stopped our ships, and I reminded the Ambassador that this country has never recognized pacific blockade as applying to any neutral ships. He said he remembered it perfectly.

The Ambassador then asked me whether I had seen Lindsay. I told him I had and that I had discussed these two points with Lindsay and also had told him that we had received requests from our consuls in various parts of the Yangtze for us to send up additional destroyers, to be prepared to take off refugees in case the trouble should spread. I told Mr. Claudel that I had asked Lindsay whether Great Britain had any such idea and expressed the hope that if so, they would send the destroyers so that we would not seem by any possibility to be making a

Provocative

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE

THE SECRETARY

- 3 -

provocative gesture alone, which we had no intention of doing. Mr. Claudel said that he of course understood, and he thought it was essential to afford the requisite protection.

HLS.

S HLS:BMS

1775  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE  
DIVISION OF FAR EASTERN AFFAIRS

Conversation.

RECEIVED January 29, 1932.

Dr. Hawking Yen, Chargé  
d'Affaires of Chinese Legation.

Mr. Hornbeck.

Subject: Shanghai Situation and Related  
Matters.

Dr. Yen stated that he had just received a  
wire stating that Japanese residents and officials  
have been evacuated from Nanking by Japanese  
vessels.

F/LS

793.94/3817

FE:SKH/ZMF

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Department of State letter, August 10, 1972  
By Milton O. Lustigson NARS, Date 12-18-75

DEPARTMENT OF STATE  
DIVISION OF FAR EASTERN AFFAIRS

Conversation.

January 29, 1932.

Dr. Hawling Yen, Chargé  
d'Affaires of Chinese Legation.

Mr. Hornbeck.

Subject: Shanghai Situation and  
Related Matters.

Dr. Yen stated that he had just been informed  
from Geneva that Dr. W. W. Yen has invoked in the  
Council Articles 10 and 15 of the Covenant.

FE:SKH/ZMF

F/LS

793.94/3818

FILED

FEB 3 1932

TELEGRAM RECEIVED

COPIES SENT TO  
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MET

FROM

GRAY

Tokio

Dated January 30, 1932

Secretary of State,

Washington

29, January 30, 4 p.m.

General Staff officer in conversation with Military

Attache admitted that some Japanese troops have arrived in Harbin, that South Manchuria Railway force now operating Changchun-Harbin Line and remarked that Chinese own half of Chinese Eastern Railway and that first article in agreement says this railway is a business line.

Navy is reported to have issued orders to stand by at Sasebo. As yet there is no information that larger fleet is being sent to Shanghai.

Papers this morning reported on a Manila message that the Shanghai wireless station had "gone out". Unconfirmed rumors state it was bombed. Foreign Office noticed report and have instituted inquiries without result.

Repeated to Peiping.

FORBES

RR-HPD

F/LS/ 793.94/3819

FILED

1932

793.94  
note

893.0146

893.74

0778

103 1037

DIVISION OF 07

44-38861-100

F/LS 793.94/3819

THIS COPY FOR STATE DEPARTMENT



1775

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

5813 .pb 2

ADDITIONAL SHIP AND AIRCRAFT OF THE JAPANESE CIVILIAN AIRCRAFT STATION  
SCORDED THOROUGHLY TO STAY IN THE JAPANESE ATTACK FLOOD OF REFUGEES  
TO SETTLEMENT STOPPED BY POLICE PERIOD FOR FOR RELOCATION ACCEPTED  
FANG CHING WEI APPOINTED FOR THE JAPANESE YOUNG PERIOD RELIABLE  
INFORMATION NOT REPORT BY PRESS NEWS STATES NORTH STATION STILL OCCUPIED  
BY CHINESE 1138

13 ACTION

0502 0A 29 JANU

13 10A 01 10A 11 16 19 21 05 38

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 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

## DEPARTMENT OF STATE

SECRETARY

DIVISION

OF FAR EASTERN AFFAIRS

JAN 30 1932

January 29, 1932.

DEPARTMENT OF STATE

THE SHANGHAI SITUATION.

The Military Party's Control of the  
Government in Japan.

RECEIVED

JAN 30 1932

SECRETARY'S OFFICE

The condition of the lack of control of the civil branch of the Government in Japan over the military and naval branches, referred to in the Tokyo telegram hereunder (No. 28, January 29, 5 p.m.), has been clearly indicated in previous reports from the Embassy and by the course of events in Manchuria.

The supremacy of the military party in the Government is at present further promoted by two factors:

(1) The country is facing a general election, with the China situation as one of the major issues. Both political parties are doubtless appealing to the patriotism of the people and bidding for the support of the all-powerful military element.

(2) Thus far the "glory" of the military achievements in Manchuria has belonged to the army. The navy has been "left out of the picture". The navy now has its chance at Shanghai, on the Yangtze and along the China coast, and doubtless is in a mood to claim its share of the "glory" and secure the support of the nation for increased appropriations in the Diet.

FE:RSM:EJL

F/LS

793.94/3819

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 Department of State letter, August 10, 1972  
 By Milton O. Lustigson NARS, Date 12-18-75

RECEIVED  
 DIVISION OF  
 JUN 28 1933

5729 220

Z LINK

V FEB 1 1935

FARM P

OR 83

FROM: CINC ASIATIC  
 ACTION: OPNAV  
 INFO: NAVAL ATTACHE PIEPING

PRIORITY

SK

29 FOURTH ONES REPORT JAPANESE FORCES OCCUPY CHAPEI AT T EITY  
 THREE FIFTYTH JUNE BY T EITYEIGHTH P RIOD CHINESE TROOPS OFFER COLE  
 INISITHI LENCE BUT MOST OF THEM HAD ALREADY WITHDRAWN PERIOD JAPANESE  
 AUTHORITY T T ACTION NECESSARY TO PREVENT J PANE E LATIONS IN  
 CHAPEI PERIOD XXXXXX TILL CONTINUING AT SIX HUNDRED T EITY NINTH PERIOD  
 JAPANESE NAVAL FORCES BOMBARDED BOOUNG FORT EARLY MORNING TWENTY FIFTH  
 PERIOD T O JAPANESE ARMORED CARS ATTEMPTED TO PASS I TO AREA GUARDED  
 BY SHANGHAI VOLUNTEER CORPS AND WERE STOPPED BY SHANGHAI VOLUNTEER  
 CORPS 2845

13 ACTION

2034 PM 28 JUN

25 26A 21 25 16 19 27 28 12A 11

ONI PRESS

JUN 28 1933

FILED

F/L/S

793.94/3020

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

5212 P3

Z A60 V CGP Q 07J LARK P OR 77

FROM: FOURTH REGIMENT USMC

ACTION: CINCPACFLT

INFO: COMNAVGPAT; OPNAV ( PRIORITY )

5704

100-00-

RC

F/LS

793.94/3821

0520 AT ONE FOUR ONE ZERO AROUND, THEIR ESCAPES FROM NORTH OF FI  
 HEADS FOR MAKING TO DOWNTOWN PLACES FOLLOWING PLANE BOMB JAPANESE  
 BEING NORTH AT THE END OF BUNDOUAI PARKING RAILWAY LINE FOR A DISTANCE  
 AT LEAST FIVE MILES WEST OF NORTH STATION HAVE DROPPED OVER, THIRTY  
 BOMBS DROPPED AT POINT FIVE MILES WEST OF STATION PLACES SUBJECTS TO  
 MACHINE GUN AND AIR AIRCRAFT FIRE. 200 FIRES CONTINUALLY SPREADING  
 AND ARE BEING COLLECTED UP IN CHAPES VICINITY RAILROAD LINE 1605

0452 04 29 JANU

13 ACTION

05 00A 01 13A 11 16 19 20 05 30

THIS COPY IS FOR THE DIRECTOR'S OFFICE

178

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 Department of State letter, August 10, 1972  
 By Milton C. Gustafson NARS, Date 12-18-75

*Handwritten signature and initials*

G106 NPS Z AGW V C6P Q 07J LARK P 48  
 FROM FOURTH REGIMENT (USMC) FEB 1 1932  
 ACTION CINC ASIATIC  
 INFO COMNAV PAT OPNAV DIVISION OF

663# CHINESE CONTROL JAPANESE LINE IS FIVE HUNDRED YARDS EAST OF  
 SHANGHAI DOOSUNG RAILWAY PERIOD LINE EXTENDS FROM HUNAN ROAD GATE  
 OF SETTLEMENT BOUNDARY NORTH TO JAPANESE LANDING FORCE HEADQUARTERS  
 VICINITY HONGKEW PARK JAPANESE CIVILIAN VOLUNTEERS ARE BURNING BUILDINGS  
 ON NORTH SZECHUAN ROAD NORTH OF RANGE ROAD 1635

F/L.S 793.94/3822

565# PC 50 JWI

13 ACTION

MARCORPS 16 17-1 11 15 19 20 22 23-1-

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1784

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

NPC

6014 Z AG V CGP Q 07J L-RK P GR 24

FROM; FOURTH REGIMENT USMC  
ACTION; CINC ASIATIC  
INFO; COMYANGTZE - OPNAV

RECEIVED PRIORITY

TBFEB 1 1932

DIVISION OF

8630 CHINESE STILL HOLD NORTH STATION AND RAILWAY LINE JAPANESE  
ONLY HOLD LINES EXTENDING ABOUT TWO HUNDRED YARDS INTO EASTERN END  
OF CHAPEL 0950

13-ACTION

2126 SB 29JAN

16 12A 11 05 19 20 00 12A 01

F/LS 793.94/3823

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JAN 4 1932

1785

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

FE

Division of  
FAR EASTERN AFFAIRS  
FEB 1 1932  
Department of State

6323 PC

Z W6 V C6P Q DTJ LARK GR 9

FROM;  
ACTION;  
INFO;

FOURTH REG  
CINC ASIATIC  
COMVANGPAT-OPNAV

DEPARTMENT OF STATE  
RECEIVED  
FEB 1 1932  
DIVISION OF

0001 SHIPING HAS LEO AND CITY COOPERATIVELY QUIET 2126

10-9 PM 110A

13 ACTION  
05 10A 11 16 19 20 38  
ONI PRESS

TS COPY FOR CHAIR DEPARTMENT

F/L.S 793.94/3824

JUN 4 1932

RECD



0785

FE

RECEIVED  
FEB 1964  
PRIORITY  
DIVISION 6  
TB

file  
Zmt

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED  
DATE 08-11-2010 BY 60322 UCBAW/ST

13-ACTION

16 38 17A 11 05 19 20 00 17A 01

225 Phineas Gage Moore

1 COPY FOR STATE DEPARTMENT

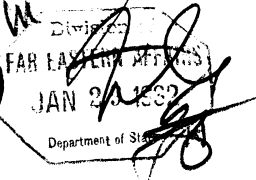
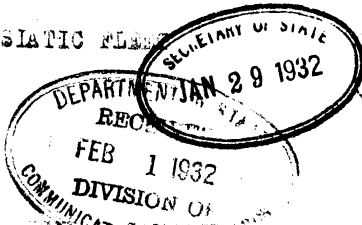
F/LS 795.94/3825

UN 4 1932

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

3692 HPS

FROM : CIRC ASIATIC PLEAS  
TO : DEPT



F/LS 793.94/3826

JUN 4 1932

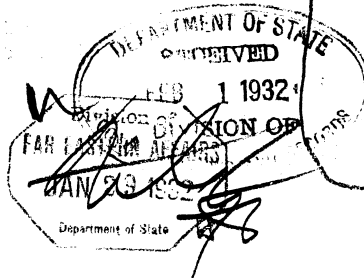
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 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

Force for Shanghai  
 consists of:

Paul Jones (230)  
 Parrott (218)  
 Edsall (219)  
 Bulmer (222)



FS. 793.94/3827

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JUN 1 1932

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1789

FE

Division of  
EASTERN AFFAIRS  
JAN 22 1962  
Department of State

F/LS 795.94/5828

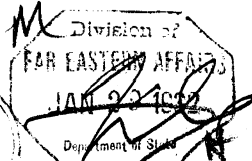
00 00-A 01 05 10-A 11 16 19 20 38 MARCORPS OHI PRE

FILED  
JUN 4 1932

1790

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

8884 HIG



FE

FROM: FOURTH REGIMENT  
TO : CINCASIAIC  
RE: ~~XXXXXXXXXX~~  
INFO: CORYANOPAR-OTANV

PRIORITY

F/LS 793.94/3829

CORR9 OWING TO THE COMBINED EFFORTS OF THE AMERICAN CONSULS  
GENERAL BOON JAPANESE AND CHINESE AGREED ON TRUCE AT 2000  
PROMISES GIVEN BY BOTH SIDES. ENGLISH JAPANESE ADVISES HEREBY  
"DUE INTERNATIONAL PROMISES TO RESPECTIVE BE REMAINED". INTERNATIONAL  
BOARD OF COMMITTEE HAS ORDERED MEETING FOR 1000 TO ORDER THE BOTH 100

DISSEMINATION

RECEIVED AT CODE 1000  
JAN 23 1932

NOTIFY IS

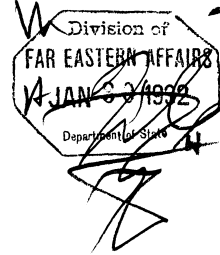
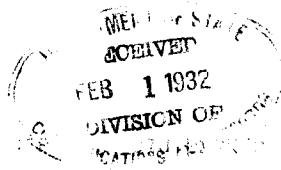
8:30 Am.

ON 1000 FOR 11 12 13 14 15 16

FILED  
JUN 4 1932

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75



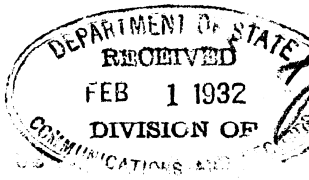
EE

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75



*File*  
*HL*

F/LS 793.94/3831 FILED

JUN 4 1932

*[Faint, mostly illegible typed text, likely a memorandum or letter body]*

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

6078 MFG

XT YT

FROM: NAVAL ATTACHE PRIMPING  
TO : NAVINTEL

INFO: CINCSALIC

0030 MINISTER FIRST SECRETARY NAVAL ATTACHE LEAVING FOR HANKING  
31 JANUARY ARRIVING 2 FEBRUARY 1300

ACTION 16

10A 13 14 11 19 20 05

RECEIVED IN CODE ROOM  
0600 30 JANUARY 1932.

F/LS 793.94/3832

JUN 4 1932

THIS COPY FOR STATE DEPARTMENT



the 1990s, the number of people in the UK who are aged 65 and over has increased from 10.5 million to 12.5 million, and the number of people aged 75 and over has increased from 4.5 million to 6.5 million (Office of National Statistics 1999).

There is a growing awareness of the need to address the needs of older people in the community. The Department of Health (1999) has published a strategy for older people, which sets out a vision for the future of older people's services. The strategy is based on the following principles: older people should be able to live independently in their own homes; older people should be able to participate in the community; and older people should be able to access the services they need.

The strategy also sets out a number of objectives for the future of older people's services. These include: to improve the quality of life of older people; to reduce the number of older people who are in care homes; to increase the number of older people who are employed; and to increase the number of older people who are active in the community. The strategy also sets out a number of measures that will be taken to achieve these objectives.

One of the measures that will be taken is to increase the number of older people who are employed. This will be done by encouraging employers to employ older people and by providing training and support for older people who are looking for work. Another measure that will be taken is to increase the number of older people who are active in the community. This will be done by encouraging older people to participate in community activities and by providing support for older people who are looking for activities to get involved in.

The strategy also sets out a number of measures that will be taken to improve the quality of life of older people. These include: to improve the housing of older people; to improve the transport services available to older people; and to improve the health services available to older people. The strategy also sets out a number of measures that will be taken to reduce the number of older people who are in care homes. These include: to increase the number of care homes that are run by the private sector; to increase the number of care homes that are run by the voluntary sector; and to increase the number of care homes that are run by the public sector.

The strategy also sets out a number of measures that will be taken to increase the number of older people who are employed. These include: to encourage employers to employ older people; to provide training and support for older people who are looking for work; and to provide financial incentives for employers who employ older people. The strategy also sets out a number of measures that will be taken to increase the number of older people who are active in the community. These include: to encourage older people to participate in community activities; to provide support for older people who are looking for activities to get involved in; and to provide financial incentives for older people who are active in the community.

The strategy also sets out a number of measures that will be taken to improve the housing of older people. These include: to improve the quality of the housing that older people live in; to increase the number of care homes that are run by the private sector; to increase the number of care homes that are run by the voluntary sector; and to increase the number of care homes that are run by the public sector. The strategy also sets out a number of measures that will be taken to improve the transport services available to older people. These include: to improve the quality of the transport services available to older people; to increase the number of care homes that are run by the private sector; to increase the number of care homes that are run by the voluntary sector; and to increase the number of care homes that are run by the public sector.

The strategy also sets out a number of measures that will be taken to improve the health services available to older people. These include: to improve the quality of the health services available to older people; to increase the number of care homes that are run by the private sector; to increase the number of care homes that are run by the voluntary sector; and to increase the number of care homes that are run by the public sector. The strategy also sets out a number of measures that will be taken to reduce the number of older people who are in care homes. These include: to increase the number of care homes that are run by the private sector; to increase the number of care homes that are run by the voluntary sector; and to increase the number of care homes that are run by the public sector.

The strategy also sets out a number of measures that will be taken to increase the number of older people who are employed. These include: to encourage employers to employ older people; to provide training and support for older people who are looking for work; and to provide financial incentives for employers who employ older people.

1794

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

0000 ZNY

*File* *EL-1*

FROM: NAVAL ATTACHE PEIPING  
TO: NAVITEL

XT YT

INFO: CIRCASIATIC

RECEIVED IN SERVICE CIPHER

RECEIVED  
JUN 4 1982  
DEPARTMENT OF STATE

F/LS

793.94/3833

JUN 4 1982

0030 REPORTED JAPANESE LATER CONSIDERED C.E.R. TO MARBLE AT  
KUANG CHETOTZE (CHINESE TOWN OF CHANG CHUN) AND COMING TROOPS  
FORWARD. C.E.R. OPERATING TO TRAINS ON SOUTH AND EAST BRANCHES  
SOVIET RAILWAY OFFICIALS PROTESTED RAILWAY IS DAMAGED AND SHOULD  
BE USED TO TRANSFER TROOPS. JAPANESE ADVISOR ADVISED  
DAMAGED BY JAPANESE CHINESE FORCES DIRECTED AGAINST RAILWAY BRIDGES  
TRACKS AND SWITCHES. JAPANESE SO SOVIET POLIFIED AMERICAN CONSUL  
GENERAL THAT AMERICAN S SHOULD REPAIR IN DOORS 1900

ACTION 16

104 11 19 30 13 05

RECEIVED IN CODE ROOM  
0600 30 JANUARY 1982

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Department of State letter, August 10, 1972  
By Milton O. Lustig NARS, Date 12-18-75

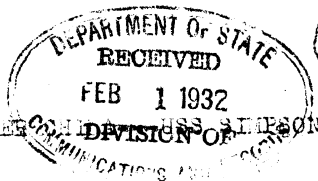
FE

0652 110

FROM CINC ASIATIC

TO CINC

INFO AMERICAN MINISTER COMMUNICATIONS DIVISION OF DEPARTMENT OF STATE



0031 CONSUL AT SWATOW REPORTS POSSIBILITY OF CLASH BETWEEN  
CHINESE AND JAPANESE. HAVE DIRECTED USS SALTWATER NOW ENROUTE  
HONGKONG TO INVESTIGATE. 0025

REL IN CODE ROOM IN SERVICE CENTER AT 1020 31 JANUARY 1931

DISTRIBUTION 13.....

10 33 10A 11 12 20 06 1123

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F/LS 793.94/3834

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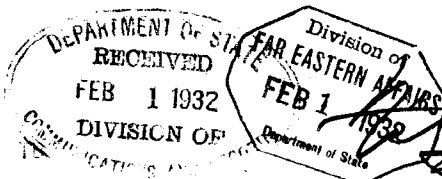
4 1932

794

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

253 DPG L Z C5 PEAT 7 10K GR 13

FROM; SM PEARL HARBOR  
ACTION; ALL SHIPS AND STATIONS



1700Z 01 FEB SEVEN PEARL ARRIVALS THIRTIETH AT HAWKOW OAHU AT PACODA

1000Z 01 FEB 0830

38-70100

19

F/LS  
793.94/3835

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

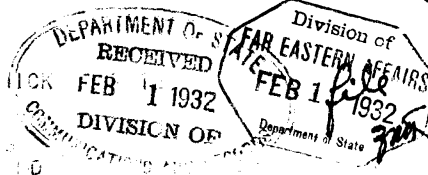
1  
6-17-1932

FROM  
ACTION

L Z 05. WEST V

SM HONOLULU

ALL SHIPS AND STATIONS



17. REPLY TO ALL SHIPS AND STATIONS IN THE AREA OF THE PACIFIC OCEAN

REPLY TO ALL SHIPS AND STATIONS IN THE AREA OF THE PACIFIC OCEAN

REPLY TO ALL SHIPS AND STATIONS IN THE AREA OF THE PACIFIC OCEAN

REPLY TO ALL SHIPS AND STATIONS IN THE AREA OF THE PACIFIC OCEAN

19

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793.94/3836

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

Division of  
FAR EASTERN AFFAIRS  
FEB 1 1932  
Department of State

DEPARTMENT OF STATE  
RECEIVED  
FEB 1 1932  
DIVISION OF  
COMMUNICATIONS AND PROPAGANDA

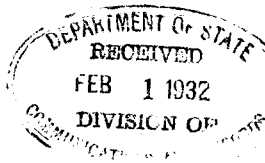
2/1/32  
3/13/15 -  
Kendall Co.

F/LS 795.94/3837

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JUN 4 1932

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS. Date 12-18-75



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*[Handwritten signature]*

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180

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

6458 NPG

L Z C5Q PEAT V WICK

FROM SM HONOLULU  
ACTION ALLSHIPS AND STATIONS

DEPARTMENT OF STATE  
RECEIVED

FEB 1 1932

DIVISION OF

1731 NINETY PEARL ARRIVALS AT SWATOW ~~SEVENTEEN~~ INSTEAD OF HONGKONG DEPARTURES  
FROM MANILA COMDESDIV FIFTEEN IN PEAY DESDIV FIFTEEN LEJS POPE FOR  
SHANGHAI EXPECT ARRIVE SEVENTEEN HOURS FOUR FEBRUARY FROM HONGKONG SOPATCOM  
IN MINDANAO FOR CANTON PERIOD CINC ASIATIC SHIFTED FLAG TO HOUSTON LT  
COMDR HENRY J SHIELDS HAULED DOWN COMDESDIV SEVENTEEN BURGEE COMMAND  
PENNAANT SUGJECT TO ORDERS DETACHMENT 1830

0105 P01 FEB

26 ACTION

THIS COPY FOR STATE DEPARTMENT

FEB

FEB

F/LS

793.94/3839

JUN 4 1932

FILED



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 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

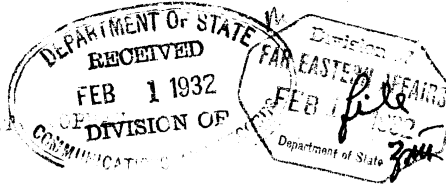
*FE*

EXE 0000 120

TO: USS BRUNSON

FROM: STS ASSISTED

INFO: COMBESBY 14 0000000000



F/LS 793.94/3840

0001. QUOTE BY PASSENGER AND DEPARTURE FROM NEW YORK CITY...  
 OF 5:15 PM...  
 0000

RE: 14 0000 0000 0000 0000 0000 0000

TO: 14 0000 0000 0000 0000 0000 0000

JUN 4 1932

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

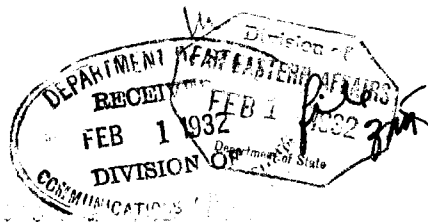
FE

6400-110

FROM 4th DISTRICT

TO DIRECTOR

INFO 1st DISTRICT



001 1st DISTRICT 1st DISTRICT  
IN 1st DISTRICT 1st DISTRICT  
AT 1200 1st DISTRICT 1st DISTRICT  
AND NORTH O 1st DISTRICT 1200

1st DISTRICT 1st DISTRICT 1st DISTRICT

1st DISTRICT 1st DISTRICT 1st DISTRICT

1st DISTRICT 1st DISTRICT 1st DISTRICT

JUN 4 1932

RECEIVED

F/LS 795.94/3841

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

SECRET

FROM USS TEXAS

TO COMNAVSTA

INFO COMUSCEN 1400 0000

0001 INFORMATION FROM 1400 0000

NAVY AIRCRAFT OBSERVED FOR ALL COMMUNICATIONS

WAGGERS AND SHIFTERS TOOK PLACE. US AIRCRAFT ARRIVED 1400

AND IN CASE ROOM IN SERVICE. NUMBER 11 1800 ON 1400 0000

DISTRIBUTION TO... ACTION

14 00 100 11 00 12 00 13 00 14 00 15 00

JUN 4 1932  
FILED

FE

file 320

F/LS 793.94/3842

1804

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Lustigsm NARS, Date 12-18-75

35 NPG

XT YT

FROM: CINCSALATC

TO: OPNAV

RECEIVED

RECEIVED  
 IN SALVAGE DIVISION OF  
 COMMUNICATIONS

FEB 1 1932

*file*

0000 CINC IN HOUSTON DEPARTED MANILA 1310 TODAY 1 FEBRUARY HAVING  
 ON BOARD 240 MARINES AND 5 OFFICERS FROM CHAUMONT AND 75 MARINES  
 AND 3 OFFICERS FROM CAVITE EXPECT TO ARRIVE SHANGHAI ABOUT 1500  
 FEBRUARY. 7 DESTROYERS ALSO DEPARTED MANILA FOR SHANGHAI PRIOR  
 FEBRUARY WILL PROBABLY ARRIVE 4 FEBRUARY. CHAUMONT WITH 31ST  
 REINFORCEMENT GROUP 1000 MEN AND 70 MARINE FROM CAVITE ON BOARD  
 EXPECT DEPART MANILA 2 FEBRUARY

ACTION 13

00 000 00 01 10 19 20 30 00

RECEIVED IN CODE ROOM  
 0830 1 FEBRUARY 1932

F/LS 793.94/3843

JUN 4 1932

FILED

COPY SENT STATE DEPARTMENT

*action completed*

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

MAM

This telegram must be  
closely paraphrased be- FROM  
fore being communicated  
to anyone.

NANKING

Dated February 1, 1932

Rec'd 7:20 p.m.

Secretary of State

Washington

27, February 1, 11 p.m.

Your No. 10/3757, January 31, 8 a.m.

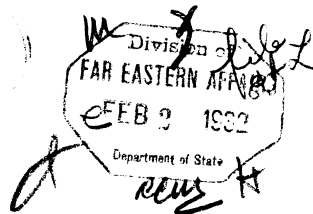
I called upon the Minister for Foreign Affairs at

three thirty this afternoon and delivered message; at  
his request I gave him a paraphrase. He indicated entire  
agreement with the Department's position and said the  
telegram would help him in attending a meeting of leaders  
at four o'clock to consider the proposal which was dis-  
cussed at Shanghai January 31st, and reported by Cunnig-  
ham. British Counsellor here has been urging acceptance  
of the proposal but decision is still pending. Prepara-  
tions by Chinese for energetic defense against expected  
Japanese attacks in different localities continue. Local  
situation remains unchanged.

Repeated to the Legation and Shanghai.

FW OX

PECK



F/LS 793.94/3844

FILED

note  
893,102-3

TELEGRAM RECEIVED

MAM

GRAY

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

FROM

SHANGHAI

Dated February 1, 1932

Rec'd 6:04 p.m.

Secretary of State

Washington

February 1, 5 p.m.

Your January 31, noon.

I am informed by Mayor that report is untrue that  
Commander of 19th route army has asked Mayor to demand  
that Settlement authorities disarm Japanese marines.  
Colonel Hooker informs me that at a meeting of the Defense  
Committee on January 31st an oral request was made of  
Japanese representative to cease moving armed forces  
through Settlement. The representative promised to stop  
movement of armed civilians, but stated that question of  
movement of Japanese marines would have to be referred to  
his superiors. Colonel Hooker states that a reserve line  
has been established approximately east and west on Haiphong  
road in American sector and continued by the British from  
Settlement boundary to Jessfield Park. I understand it is  
not the intention to withdraw to this reserve line at pres-  
ent

F/LS 793.94/3845

FILED

FEB 9 1932

793.94  
note  
893.1025  
293.94

Division of  
FAR EASTERN AFFAIRS  
FEB 2 1932  
Department of State

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

man

2- from Shanghai, February 1, 1932  
 5 p.m.

present, but that it would only be withdrawn to (\*) in the contingency that Japanese should use their mills in northern part of American sector as offensive position against the Chinese in case of an attack by either side. Colonel Hooker states that Defense Committee is strongly of the opinion that withdrawal of American or British forces from sector assigned to them would be a most unwise move. Department's January 30, 6 p.m. and my reply January 31, 7 p.m.

393.94  
 Two. Colonel Hooker informs me that Defense Committee is preparing a letter requesting Japanese Admiral to give orders to stop patrolling and other armed military demonstrations and to have only sufficient guards<sup>in</sup>/the mills necessary to protect them from inside attempts at injury, and the sector commanders will undertake the protection of the sectors without unauthorized and unrequested assistance from the Japanese. Repeated to the Legation and Nanking.

(\*) apparent omission

CUNNINGHAM

RPF

TELEGRAM RECEIVED

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

HSM

FROM

GRAY

Shanghai

Dated February 2, 1932

Rec'd 10:23 p. m. - 1st

Secretary of State,  
Washington.

February 2, 6 a. m.

Following urgent message was received from Japanese  
Consulate General February 2, 1932:

"At the request of Admiral Shiozawa the Japanese  
Consulate General begs to bring to your notice the  
following:

'In spite of the truce agreed effective as from  
January 29, 8 p. m. Chinese troops have continuously  
attacked Japanese positions more particularly from the  
evening of January 31 with artillery and rifles. At  
about 11:30 the same evening one of the cannon shots  
fell near the Admiral's flagship which is moored along-  
side of the Japanese Consulate General. On February  
1st from 1 to 5 p. m. the Chinese troops near Wangpan  
Road fired volley after volley with their machine guns  
and rifles.

It has become evident that Chinese troops are  
unceasingly

F/LS 793.94/3846

FILED

793.94

note  
893.1025.

Division of  
FAR EASTERN AFFAIRS  
FEB 2 1932  
Department of State



From Shanghai, February 2, 1932, 6 a. m.

-2-

unceasingly massing their forces with the view to completely surrounding the Japanese. To acquiesce in the situation is to expose the Japanese community to perilous dangers. It is my present plan to use some aeroplanes for reconnaissance in order to ascertain the situation as our apprehension seems to be momentarily substantiated."

Repeated to the Legation and Nanking.

CONFIDENTIAL

OX

FW

FE

TELEGRAM RECEIVED

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

MAM

FROM

GRAY

SHANGHAI

Dated February 1, 1932

Rec'd 8:05 p.m.

Secretary of State

Washington

February 1, 7 p.m.

Division of  
FAR EASTERN AFFAIRS  
FEB 2 1932  
Department of State  
raw

The local situation today was unchanged. The Japanese increased their patrols, et cetera, in the Hongkew district with much inconvenience not to say danger, to American interests. Observers report considerable rifle and machine gun firing in Chapei this evening. Curfew will be enforced in Settlement and French Concession tonight between 10 p.m. and 4 a.m. The refugee situation is somewhat dormant.

Repeated to the Legation and Nanking.

FW

CUNNINGHAM

OX

FEB 9 1932

PTT 411

F/LS 793.94/3847

793.94  
note

393.11

1811

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

\* FEE

mam

TELEGRAM RECEIVED

CANTON

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

FROM Dated February 1, 1932

Rec'd 6:10 p.m.

Secretary of State

Washington

February 1, 9 p.m.

Division of  
FAR EASTERN AFFAIRS  
FEB 2 1932  
Department of State  
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F/LS

793.94/3848

793.94  
note

Although Japanese Consul has made representations to the Mayor in connection with certain anti-Japanese propaganda, both informed me that there was no other issue here which was likely to precipitate difficulties. Mayor stated that there is intense public feeling here against Japan, that Canton will support any national action against Japan, and that the military authorities are prepared to resist any Japanese show of force here. He further stated that he had communicated with Consul to evacuate all Japanese to Shameen. The situation is outwardly quiet.

Repeated to Legation, Nanking, Swatow.

FW

BALLANTINE

FEB 9 1932

FILED

393.94

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lutz NARS, Date 12-18-75

TELEGRAM RECEIVED

cib

PLAIN

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

Peiping

FROM

Dated February 2, 1932

Recd 6:15 a.m.

Secretary of State

Washington.

175, February 2, 2 p.m.

Following from Reuter, Nanking, February 2:

"It is learned from reliable sources that Japanese warships started shelling Nanking at eleven fifteen p.m. last night.

Following a clash between Chinese troops and Japanese marines on the waterfront here, which is alleged to have arisen from the Japanese opening fire on a Chinese patrol the Japanese warships in the harbor spread terror throughout the city by firing shells at the forts on Lion Hill, near the river front.

Altogether twenty shells are reported to have been fired, but the Chinese troops received urgent orders not to retaliate and by one a.m. on Tuesday morning there was no more firing.

So far no reports of actual damage have been received, although Chinese officials declared that several shells hit the forts."

For the Minister

PERKINS

JS

F/LS

793.94/3849

793.94  
no to  
893.102-Nanking

Division of  
Far Eastern Affairs  
FEB 2 1932  
Department of State

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

cib

# TELEGRAM RECEIVED

PLAIN

Peiping

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

Dated February 2, 1932

FROM

Recd 5 a.m.

Secretary of State

Washington.

173, February 2, 12 noon.

Following from Reuter, Tokyo, and Hong Kong, February 1:

"While the suggestion of the establishment of neutral zone at Shanghai meets with Japanese approval, the proposal that the Japanese bluejackets should withdraw into the International Settlement leaving the troops of the other powers to take over the defense of the sector allotted to the Japanese is considered impossible here owing to its reaction on International Settlement.

Resenting the implications that the Japanese are aggravating the situation by their actions, official circles contend that the Japanese are doing no more than playing their allotted part in the general defense scheme. Foreign Office spokesman asserted today that Japan, recognizing the gravity of the situation, welcomes the report that British and American reinforcements have been despatched to Shanghai.

U.M.S. BERWICK is sailing from here for Shanghai at three o'clock this afternoon with eight hundred of the Argyll and Sotherland Highlanders on board and a mountain battery. She expects to arrive at Shanghai on Wednesday. Meanwhile

F/LS  
793.94/3850

773.74  
893.102-S

841.3393  
893.10146

-2- #173 from Peiping

Meanwhile H.M.S. CUMBERLAND, which is at present in dry dock has been ordered to prepare for service with all possible speed.

H.M.S. HERMES, the aircraft carrier, has embarked all her seaplanes and is ready to proceed to the North at the shortest notice.

It is probable that H.M.S. KENT, carrying Admiral Sir W. A. H. Kelly, Commander in Chief in China, will call here for fuel and ammunition en route from Batavia for Shanghai.

For the Minister.

PERKINS.

JS

1815  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

mam

GRAY

FROM

NANKING

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

Dated February 1, 1932

Rec'd 9:42 p.m.

Division of  
FAR EASTERN AFFAIRS

FEB 2 1932

Department of State

Secretary of State

Washington

25, February 1, 2 p.m.

Following is my translation of note addressed to the  
American Minister, received January 31, 10 p.m., from the  
Chinese Minister for Foreign Affairs:

"January 31, 1932.

Excellency:

I have the honor to state that the Municipal Govern-  
ment of Shanghai has reported by telegraph that there was  
recently held in the International Settlement a meeting  
to devise defense measures, the participants being the  
Municipal Council and the British, American and French  
military commanders, and that although publicity was not  
given to the decision of the meeting regarding the allot-  
ment of areas for defense, nevertheless the Japanese Con-  
sul asserted in a public statement that the meeting desig-  
nated by the section of territory east of the Shanghai-  
Woosung Railway as the one to be defended by Japanese  
troops;

F/LS

793.94/3861

FILED

FEB 4 1932

793.94  
note  
593.0146

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 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

from

2- #25, from Nanking, February 1,  
 1932

troops; moreover, the Commander of the Shanghai-Woosung Defense Force has reported by telegraph that in the International Settlement the area south of Soochow Creek and west of Pilinhu has hitherto been guarded by British and American forces and whereas on the present occasion when a state of emergency was declared, British troops were assigned to guard this area, nevertheless, on the afternoon of January 30 Japanese troops suddenly replaced the British troops, and the Japanese troops openly utilized the area in question as a base of military operations.

893.0146 I have the honor to observe that the Chapei area, east of the Shanghai-Woosung Railway, is purely Chinese controlled territory, invasion of which by the troops of another nation is, of course, not permissible. If the reported meeting to devise defense measures attended by the Municipal Council and the American, British and French military commanders did actually designate that area for defense by Japanese forces, it was quite evidently an act which violated China's sovereignty and further, the Chinese Government regards it as most surprising that permission was



mam

3- #25, from Nanking, February 1,  
1932

was granted to Japan to establish a base for military operations in the territory of the International Settlement.

893.014  
I have the honor to request that Your Excellency will at once issue telegraphic instructions to the American Consul General and to the officer in command of the American military forces, Shanghai, to put a stop at once to the military operations of the Japanese army in the Ohapei district and no longer to permit the Japanese forces to utilize the territory of the International Settlement for attacks on Chinese controlled areas.

I have the honor to hope that Your Excellency will take note of these requests and will act upon them with all speed and return a reply. (signed) Lo Wen Zan".

FW

PECK

1818

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustig NARS, Date 12-18-75

DEPARTMENT OF STATE  
DIVISION OF FAR EASTERN AFFAIRS

RECEIVED  
FEB 1 1932  
JANUARY 26, 1932.

DIVISION OF

Shanghai Situation

Japanese, Chinese and Foreign Action.

The course of recent events at Shanghai, during the past week, according to the telegrams received from our Consul General there, has been briefly as follows:

1. Rioting on January 20.

On Wednesday, January 20, Mr. Cunningham reported that during the preceding week there had been several clashes between the Chinese and Japanese, in one of which (just beyond the Settlement limits) one Chinese policeman of the International Settlement was killed and several wounded, also one Japanese was killed and two wounded. The Japanese member of the Council declared to the Council that the Japanese were in the wrong, and no complications as regards the Settlement authorities were anticipated.

On the afternoon of that same day a mass meeting, attended by about 12,000 Japanese, was held at which the local Japanese Consul General was denounced for his failure to obtain satisfaction in various local incidents. The crowd then marched through the streets of the Settlement smashed the windows in Chinese shops and assaulted several Chinese. Mr. Cunningham reported (on January 21) that the entire police force of the Settlement was mobilized, and that

793.94  
notes  
893/102

SS

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SS

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File

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793.94/3852

MAY 1 1932

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- 2 -

that the Chinese and Japanese members of the Settlement police force were functioning harmoniously. There were no further disorders on that day (January 21) but another Japanese mass meeting was scheduled for January 23.

2. Conferences on January 22.

On Friday morning, January 22, the Chairman of the Shanghai Municipal Council (General MacNaghten, a Britisher) called on Mr. Cunningham and announced that he (the Chairman) intended to call at once on the Japanese Admiral and request the latter to arrange to preserve order at the Japanese mass meeting the following afternoon. General MacNaghten stated that he believed it would be better to have the Japanese handle any emergency that might arise from this meeting, and if there were any shooting to have the Japanese responsible for it rather than the Municipal police.

Mr. Cunningham expressed the view that the Chairman should consult the Japanese Consul General rather than the Admiral; that if the situation became such that the Municipal Council could not control it, the Council should apply to the Senior Consul for the assistance of all the powers; and that the Municipal Council was better qualified to handle the situation than the Japanese military. The Chairman then stated that he would call first on the Japanese Consul General and then upon the Admiral and ask them to cooperate in preserving order at the mass meeting.

3. The "Ultimatum".

Mr. Cunningham further reported that, according to the press,

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 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

- 3 -

press, the Japanese Admiral issued on January 22 a statement to the effect that in case the Mayor (of the Chinese municipality) failed to comply with the demands of the Japanese Consul General in connection with various anti-Japanese cases the Admiral "would take appropriate steps to protect the rights and interests of Japan" (Mr. Cunningham reported on January 23 that he had received from the Municipal Council a copy of the "Japanese Admiral's statement or so-called ultimatum" and that it was substantially as he had reported it).

4. Call on the Japanese Admiral.

On Saturday, January 23, the Chairman of the Municipal Council, the Secretary General (Mr. Fessenden, an American) and the Japanese Consul General called upon the Japanese Admiral and after considerable discussion "the Admiral agreed that he would take no action in the Settlement without first consulting with the Settlement authorities".

5. Conditions on Monday, January 25.

On Monday, January 25, Mr. Cunningham reported that "the tension over the Shanghai incidents of recent date has been lessened because the Chinese Government has decided to meet the Japanese demands as far as circumstances permit and negotiations are being conducted by the Chinese local authorities in a conciliatory spirit".

In a confidential telegram of the same date, (received here last night) Mr. Cunningham reported that a meeting of the  
 foreign

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

- 4 -

foreign members of the Shanghai Municipal Council, including the Japanese members, had decided that morning that no state of emergency existed for the time being. He was reliably informed that the Japanese Consul General had promised that the reply of the Mayor to the Japanese demands would be given to the Council 24 hours in advance of any Japanese action.

WAK  
FE:RSM:SKH:REK

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

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FEB 1 1932  
DIVISION OF  
RECORDS

DIVISION OF  
FAR EASTERN AFFAIRS  
FEB 14 1935  
Department of State

DEPARTMENT OF STATE  
JAN 29 1932

3jb wm 95 via Nothern FROM

Shanghai nft 29th

LCD Doctor Hornbeck,

State Dept Washington

Mayor Wu yesterday afternoon complied with Japanese ultimatum  
satisfactory to Japanese Consul Murai stop Nevertheless at midnight  
Japa-nese naval forces opened fire on Chinese and occupied Woosung  
section railroad and cut telegraphs stop Attacked Woosung forts  
without provocation by Chinese stop Now occupy Chinese territory  
north of Shanghai stop Japanese airplanes early this morning  
bombed Chapel district north and Nantao south of international  
town stop Japanese naval forces dominate Hongkew district  
international town and prevent public use main railroad station stop  
Shrapnel wounded Chinese admitted Shanghai hospitals.

ROBERT LEWIS

4:32 a. m. Jan 29 1932

(American)

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FEB 14 1935

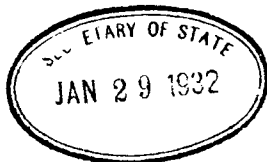
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793.94/3853

1823

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

In reply refer to No.  
Op-16-B-12

NAVY DEPARTMENT  
OFFICE OF NAVAL INTELLIGENCE  
WASHINGTON  
DIVISION OF



Memorandum for Division of Far Eastern Affairs  
State Department

Division of  
FAR EASTERN AFFAIRS  
JAN 29 1932  
Department of State

The following dispatch was received from the Naval Attache,  
Peiping, dated 28 January 1932.

Harbin entirely supervision Japanese Military Mission headed by  
Doihara. Japanese strength Manchuria about 35,000. Control all railways  
south of Chinese Eastern. Presupposing Japanese wage successful campaign  
against bandits in South Manchuria indications point to Japanese occu-  
pation Hinghan mountain range in early spring and from there initiate  
campaign against Soviets thru medium Mongols and White Russians. With  
the establishment of an independent state in early February Soviets feel  
Japanese will endeavor to obtain control Chinese Eastern Railroad by shift of  
Chinese Directors. Independent state will be governed by Chinese under  
Japanese supervision and will probably extend to Mongolia and Jehol. Im-  
pression growing that Japan considers time about ripe to occupy Vladivostok  
Saghalin and Maritime Provinces and anticipate no very great Soviet resis-  
tance.

F/DEW

793.94/3853 1/2

JUN 4 1932

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1824

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

COPY

CODE CABLEGRAM

January 29, 1933.

FROM. . . . . Peiping.

TO. . . . . The Adjutant General.

**SECRET**

F/DEW

793.94/3854

3854

Number 323. January 29th.

par 4. Japanese General Staff is now war mad and it is believed  
it should be realized and would not hesitate at hostilities with  
United States if their course blocked.

Tenney.

*Handwritten signature/initials*

3/19/73  
2  
1933



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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

A circular ink stamp from the Department of State, Division of Communications and Records. The text "DEPARTMENT OF STATE" is curved along the top inner edge. "RECEIVED" is printed in the center. "FEB 1 1932" is stamped in the middle. "DIVISION OF" is curved along the bottom inner edge, and "COMMUNICATIONS AND RECORDS" is curved along the bottom outer edge.

W Division of  
FAR EASTERN AFFAIRS  
JAN 28 1932  
Department of State

FROM: CINCASINT  
TO: OPNAV  
INFO: NAVJAG, JAGC

[illegible]

**F/DEW**

**793.94/3855**

**FILED**  
JUN 4 1932

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182

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

5344 NPG

SHEET 2

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CAMPAIGN BY HUFER WITH STANLEY AND HUFER PROOPS COOPERATING 1659

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0800 BY 08-10-1982

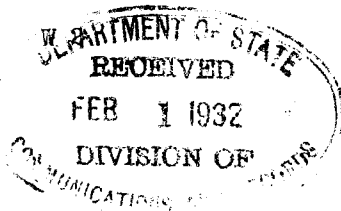
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182

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

RADIOGRAM

BFS



January 28, 1932.

9:30 A. M.

From Tokio

To The Adjutant General.

CONFIDENTIAL

Number 209. January 28th.

Japanese General Staff was very busy and uncommunica-  
tive to-day; my reception very cool. Finally confirmed  
following: Two battalions infantry and one battery field  
artillery under command of Major General Hasebe were sent  
to Harbin this morning via Cer; conditions at Shanghai are  
considered very serious; Governor of Jehol was invited to  
join independent Manchuria government. Rumor here of con-  
centration of Soviet troops at Vladivostok for dispatch to  
Harbin for protection of their nationals.

McIlroy

F/DEW

793.94/3856

JUN 4 1982

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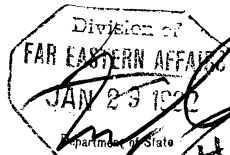
1828

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

5917 1P2

XST

YB



FROM: USS TRUXTON

TO : CINCASLATIC

INFO: COMBESDIV 14. YANGPAT. 011411Z FEB 1 1932.

0029 BOMBING OF CHINESE TERRITORY BY JAPANESE AIRCRAFT AND  
INCENDIARY BOMBS HAS CAUSED PROPERTY DAMAGE AND SEVERAL FIRES.

TWO BOMBS STRUCK IN INTERNATIONAL SETTLEMENT NEAR BOUNDARIES  
KILLING ONE CHINESE AND WOUNDING EIGHT WITH SEVERE PROPERTY  
DAMAGE. INTERMITTENT FIGHTING CONTINUES IN VICINITY NORTH  
RAILWAY SECTION BUT MOST OF CHINESE TROOPS HAVE WITHDRAWN  
TO YUNGCHAI AND YUNGJAO DISTRICTS. JAPANESE CLAIM 100 KILLED AND  
WOUNDED AND SHIP YOUNG ESTIMATE 200 CHINESE KILLED. JAPANESE  
FORCES ISSUES PRESS ~~XXXXXXXX~~ STATEMENT REGARDING CHINESE FOR  
FIGHTING BECAUSE CHINESE TROOPS DID NOT EVACUATE AREA IN  
TIME AND WERE BEING CALLED UPON TO SOLE DEFENSE. REPORT  
THAT HOSTING FORCES WERE COMBATED RECEIVED 1 NOVEMBER 1930

3010 13

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RECEIVED IN 1932  
1932 10 JANUARY 1932

F/DEM

793.94/3857

(JUN 4 1932)

RECEIVED

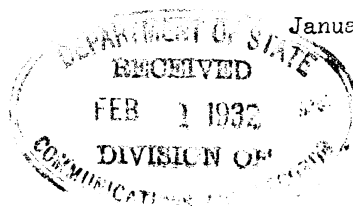
THIS COPY FOR STATE DEPARTMENT

1829

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

RADIOGRAM

BFS



January 29, 1932



9:30 A.M.

F/DEW

From Peiping.

To The Adjutant General.

CONFIDENTIAL

Number 322. January 29th.

Fourth Marines report Japanese troops occupied Chapei at 11:15 P.M., January 28th and firing continuing at 6 this morning. Also that naval forces bombarded Woosung forts early this morning.

Tenney

793.94/3858

DECLASSIFIED  
E.O. 11652, Sec. 3(E) and 5(D) or (E)  
By 479

3/9/73

JUN 4 1932

STANDARD

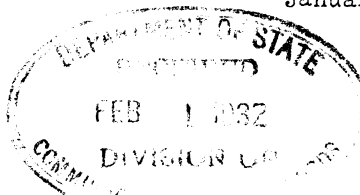
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

RADIOGRAM

BFS

5796 NPG

January 29, 1932



9:30 A. M.



From Peiping,

To The Adjutant General

CONFIDENTIAL

Number 323. January 29th.

Japanese Military Attache informs me unofficially that one regiment Japanese troops was en route by motor truck from Changchun to Harbin afternoon 28th.

Paragraph 2. British observer in Harbin reports that two aeroplanes dropped four bombs in outskirts of Harbin morning of 27th and were signaled to from ground by Japanese civilians using panels.

Paragraph 3. Occasional firing still heard in Chapei at 9 this morning and Woosung forts taken.

Paragraph 4 follows by cable.

Tenney.

F/DEW

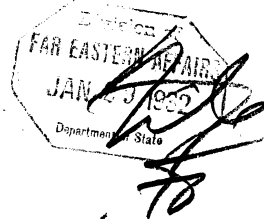
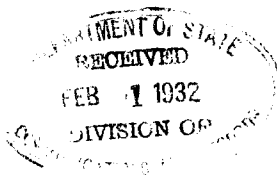
793.94/3859

JUN 4 1932

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E.O. 11652  
OSI  
By AD NARS Date 3/19/73

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 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75



F/DEW 793.94/3860

RECORDED  
 JUN 1 1932

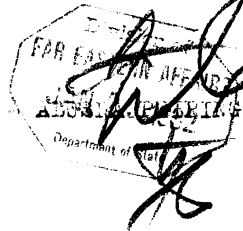
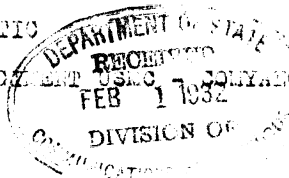
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183

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

6049 129

FROM : CINC ASIAN  
 ACTION : OPNAV  
 INFO : FOURTH REGIMENT USMC, COMNAVSTA



*FEF*

0029 PRUMTRUM REPORTS CHINESE ACCENTS DEMANDS OF JAPANESE UNCONDI-  
 TIONALLY AND JAPANESE CONSIDER RESPONSE SATISFACTORY AND WILL WITHHOLD  
 CORRESPONDING ACTION UNLESS CHINESE AUTHORITIES FAIL TO CARRY OUT THE  
 REQUESTS TO THE LETTER. COMNAVSTA REQUESTS ADDITIONAL DESTROYERS BE  
 SENT TO SHANGHAI AND ONE TO WUHU. AM ORDERING FOUR DESTROYERS TO PRO-  
 CEED WITHIN FOR DUTY IN TANGTZE PORTS 0230

RECEIVED IN THE CODE ROOM IN SERVICE CENTER AT 1730, 28 Jan. 1932

DISTRIBUTION

13 (ACTION), 38, 16, 00, CCA, 01, 10A, 11, 19, 20, 06, 11

F/DEW 793.94/3861

JUN 4 1932

FILED

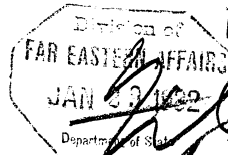
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DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Lustigsm NARS, Date 12-12-75

5786 MPG

FROM: FOURTH REGIMENT USMC  
 ACTION: CINC ASIATIC FLEET  
 INFO: COMYANGPAT, OPNAV. (PRIORITY)



0029 JAPANESE MILITARY ATTACHE REPORTS FIGHTING LAST NIGHT NINE  
 JAPANESE KILLED AND SEVENTY WOUNDED CHINESE CASUALTIES UNKNOWN BUT  
 HEAVY JAPANESE OCCUPIED NORTH STATION AND RAILROAD LINE AND EASTERN  
 SECTION CIPAEI CENTRAL AND WESTERN SECTIONS NOT YET OCCUPIED PERIOD  
 DENIES BOMBING OF WOOSUNG FORTS STATES HEAVY FIGHTING ENDED FIVE  
 THIRTY AM JAPANESE WILL DEMAND ALL CHINESE TROOPS WITHDRAW FROM  
 CITY IF DEMANDS MET FIGHTING WILL STOP NOT MET JAPANESE AGAIN ATTACK  
 PERIOD SHANGHAI MUNICIPAL POLICE AND SHANGHAI VOLUNTEERS CORPS BOTH  
 POSITIVE NORTH STATION STILL IN HANDS CHINESE PERIOD SINCE ABOUT  
 EIGHT THIRTY AM NO FURTHER FIGHTING OBSERVED 1230  
 RECEIVED IN CODE ROOM III SERVICE CIPHER AT 0245 29 JANUARY 1932.  
 DISTRIBUTION:

13(ACTION), 22, 22A, 21, 1A, 11, 16, 19, 27, 25, FILE. 30

11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

F/DEW

793.94/3862

JUN 4 1932

FILED

THIS COPY FOR STATE DEPARTMENT

1834

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

FROM: FOURTH REGIMENT USMC  
ACTIVITY: CIVIL ACTIVITIES  
INFO: OF: CHANGING

DEPARTMENT OF STATE  
RECEIVED  
FEB 1 1932  
DIVISION OF

FOR EASTERN AFFAIRS  
JAN 22 1932  
Department of State

F/DEW 793.94/3863

JUN 4 1932

FILED

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1835

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

2 100 00P 070 24K P  
FROM: FOURTH REGIMENT OF STATE  
ACTION: CINCPAC (RECEIVED)  
INFO: COMNAVSTA, OFFAV (PRIORITY)  
FEB 1 1932  
DIVISION OF  
COMMUNICATIONS

Division of  
FOR EASTERN AFFAIRS  
JAN 23 1932  
Department of State

F/DEW

793.94/3864

JUN 4 1932  
RECEIVED

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

6023

*[Handwritten signature]*  
FBI  
RECEIVED  
FED 1 1982  
DIVISION OF

F/DEW 793.94/3865

REC'D  
JUN 4 1982

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THIS COPY FOR THE DEPARTMENT

FILED

JAN 4 1932

RECEIVED IN CODE ROOM  
0155 23 JANUARY 1932

DISTRIBUTION  
16.....ACTION  
10A.....SHO N  
11.....SHO N  
19.....  
20.....  
DATE.....  
FILE

F/DEW 793.94/3866

TO : NAVALINTEL  
FROM: NAVAL ATTACHE TOKYO  
1623 ONE CRUISER, ONE SEAPLANE TENDER AND FOUR DESTROYERS HAVE BEEN  
SENT TO SHANGHAI BY NAVY DEPARTMENT, LANDING FORCE OF FOUR TO FIVE  
HUNDRED MEN BRINGING TOTAL FORCE TEN THAT PORT TO ONE THOUSAND.  
DEPARTMENT STATES CONDITIONS SIMILAR K TUNGTAO AND POOCHOW EXCEPT  
ON LARGER SCALE DUE TO NUMBERS AND INTERESTS INVOLVED. HAVE DENIED  
PRESS REPORTS OF CONTINGENT BLOCKADE 1220

BY M. J. O. Duffin  
Department of State letter, August 10, 1972  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
NARS, Date 12-18-75

1837

1838

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

FROM OPNAV  
TO CINC ASIATIC  
INFO COMDR. 4th REGIMENT  
SOP SHANGHAI  
COMYANGPAT



0030 COMMANDERS OF UNITED STATES FORCES ~~XXXX~~ SHOULD OBSERVE  
UTMOST FORBEARANCE AND MAKE ~~XXXX~~ EFFORT BY CONCILIATION TO REMOVE  
ANY FRICTION THAT MAY DEVELOP BETWEEN AMERICAN AND OTHER DEFENSE UNITS  
PARAGRAPH STATE DEPARTMENT IS INSTRUCTION CONSUL GENERAL SHANGHAI IN  
SIMILAR MANNER. UNITED STATES GOVERNMENT DESIRES THAT EVERY  
REASONABLE MEANS POSSIBLE BE TAKEN TO AVOID CLASH BETWEEN AMERICAN  
AND JAPANESE FORCES. QUESTIONS REGARDING DISPOSITION OF FOREIGN  
FORCES UNDER DEFENSE PLAN AT SHANGHAI SHOULD BE REFERRED TO SENIOR  
OFFICER OF DEFENSE FORCES. 1800

F/DEW  
793.94/3867

COPIES TO

- STATE DEPT VIA OP 13.....
- 16.....
- 38.....
- 19.....
- 20.....
- FILE.

DECLASSIFIED  
E.O. 11652  
3/19/23  
BY KJ

REC'D  
MAR 4 1932

THIS COPY FOR STATE DEPARTMENT

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

XF YF

FROM USS SIMPSON  
TO CCHYANGPAT  
INFO COMDESRON 5--COMDESDIV 14--CINC PACIFIC--YANGPAT--  
CENAV---4th REGIMENT USMC

0031 HAVE BEEN ADVISED BY JAPANESE SENIOR NAVAL OFFICER PRESENT  
HE WILL RECEIVE MY CALL 1130 TOMORROW MONDAY. WILL ENDEAVOR OBTAIN  
ASSURANCES FROM HIM THAT HE WILL NOT TAKE INITIATIVE IN ANY FIRING  
AND WILL WARN FOREIGNERS IN ADVANCE OF ANY USE OF FORCE THAT MAY BE  
CONTEMPLATED IN ACCORDANCE WITH CONFERENCE HELD 6 P.M. TODAY  
FOREIGN CONSULS AND NAVAL OFFICIALS DECIDED THAT EVEN PARTIAL  
EVACUATION NATIONALS JUST NOW MIGHT SPREAD FEAR AND PRECIPITATE  
HASTY ACTION OF UNDESIRABLE NATURE. JAPANESE CONSUL GENERAL NANKING  
AND CHINESE FOREIGN MINISTER HAVE GIVEN ASSURANCES NEITHER SIDE HAS  
ANY INTENTION STARTING HOSTILITIES HERE. CHINESE CLAIM TO HAVE LOCAL  
TROOPS AND POLICE UNDER CONTROL. JAPANESE CLAIM THAT THE ARRIVAL OF  
4 DESTROYERS AT NANKING TODAY HAS NO POLITICAL SIGNIFICANCE AND THAT  
THEY ARE MERELY HERE AS A CONVENIENT PLACE FROM WHICH TO DISPATCH  
THEM WHEREVER NECESSARY. SHOW OF JAPANESE NAVAL STRENGTH HERE  
CREATES NEVERTHELESS SOME TENSION PARTICULARLY AMONG CHINESE WHO ARE  
TAKING ALL PRECAUTIONS TO AVERT ANY POSSIBLE INCIDENTS. 2235  
REC IN CODE ROOM AT 1810 31 JANUARY 1932

DISTRIBUTION

13.....ACTION  
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38.....  
10A.....  
11.....  
19.....

20.....  
DAILY.....  
FILE

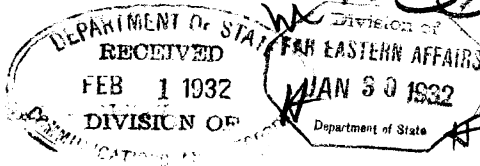
209 3/19/23  
COPY FOR STATE DEPARTMENT

F/DEW  
793.94/3868

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

6183 PG

FROM : U.S.S. BRUXERON  
ACTION : CINC ASIANIC  
INFO : COMUSMACV 14



F/DEW 793.94/3869

RECEIVED THE DEPARTMENT OF STATE FEB 1 1932  
IN 3 1932. THE DEPARTMENT OF STATE HAS RECEIVED  
A LETTER FROM THE DEPARTMENT OF STATE FEB 1 1932  
AND 1932

RECEIVED THE DEPARTMENT OF STATE FEB 1 1932

13 201, 11, 11, 104, 11, 11, 11, 16, 11, 11, 11, 11

JUN 4 1932  
RECEIVED

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 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

FE

RECEIVED  
 FEB 1 1932  
 DIVISION OF  
 DEPARTMENT OF STATE

F/DEW 793.94/3870

JUN 4 1932  
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THIS COPY FOR STATE DEPARTMENT

184

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E) "  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

MET

FROM

GRAY

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

Peiping via N.R.

Dated February 2, 1932

Rec'd 6:15 a.m.

Division of  
FAR EASTERN AFFAIRS  
FEB 2 1932

Department of State

793.94  
note  
893.102 Swatow  
893.911

Secretary of State,

Washington

178, February 2, 5 p.m.

Following from American Consul at Swatow:

"February 1, 11 a.m.

Mayor of Swatow and the Japanese are reported to have reached agreement concerning newspaper incident and it is said that the three Japanese vessels in port will therefore take no action against the city. Many persons have left the city. It is generally believed that there will be no conflict at present although a declaration of war might alter conditions".  
HPD

FOR THE MINISTER, PERKINS.

F/LS 793.94/3871

FEB 9 1932

FILED

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

2 FEE

## TELEGRAM RECEIVED

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

MET

FROM

GRAY

Shanghai via N.R.

Dated February 2, 1932

Rec'd 7:55 a.m.

F/LS/

793.94/3872

Secretary of State,

Washington

PRIORITY.

February 2, 7 p.m.

My telegram of January 31, 11 p.m.

Division of  
 FAR EASTERN AFFAIRS  
 FEB 2 1932  
 Department of State  
 [Signature]

At 2:15 this afternoon I received oral communication from Japanese Consulate General that instructions had been received from Tokyo that the proposal made at the meeting on Sunday, January 31st, could not (repeat not) be accepted. Truce appears to be broken as heavy firing began shortly after 2 o'clock. Japanese Consul General denied to me over telephone that truce broken stating that Japanese had been attacked and were only replying. Japanese aeroplanes have been in the air since 2 o'clock.

Repeated to the Legation and Nanking.

CUNNINGHAM

WSB

FEB 9 1932

FILED

793.94  
 note  
 793.1028

TELEGRAM RECEIVED

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

MET

Peiping via N.R.

FROM

Dated February 2, 1932

Rec'd 7:55 a.m.

Secretary of State,

Washington

174, February 2, 1 p.m.

Following from Reuter, Tokyo, February first:

The British Ambassador, Sir Francis Lindley, again visited Mr. Yoshizawa, the Japanese Foreign Minister, this afternoon, when it is understood that they discussed the situation at Shanghai and the Ambassador sought for information regarding the Japanese plans for dealing with it.

For the purpose of exchanging views and attempting to clear up the misunderstandings which appear to have arisen through conflicting reports, the American Ambassador visited Mr. Yoshizawa again this afternoon.

Referring to the representations from Washington, a Foreign Office spokesman here declared that the American Consul General at Shanghai appears to have been misinformed on several important points as the facts reported to Washington are at variance with those reported to Tokyo.

Criticising Mr. Yoshizawa for requesting the

Ambassadors

793 94  
note  
893.1025  
893.0146

Division of  
FAR EASTERN AFFAIRS  
FEB 2 1932  
Department of State

FILE S / 793.9473873

FILED  
FEB 9 1932

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2-#174 from Peiping via N.R.,  
February 2, 1 p.m.

Ambassadors of Britain, America and France to use their influence to persuade the Chinese to withdraw their troops, military circles here express the fear that to invite intervention from the three powers will stiffen the Chinese attitude to Japan and increase "Chinese arrogance".

Later. The British Ambassador presented a formal protest, apparently identical with that of America, contending that the Japanese action at Shanghai went further than necessary, thereby endangering British lives in the International Settlement.

Mr. Yoshizawa, receiving the protest, replied that the Japanese action had not exceeded the minimum necessary. He intimated that the British protest appeared to have been based on misinformation of a propagandist nature.

Frankly admitting that there have been some instances of excesses committed by Japanese "roughs" at Shanghai, official circles here declared that the Japanese authorities are doing their utmost to control them and are dealing with them sternly. They have already deported about two dozen. Officials do not attempt to conceal their apprehension lest these disorderly elements aggravate the situation

by

184  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

3-#174 from Peiping via N.R.,  
February 2, 1 p.m.

by their activities, thus embarrassing the Japanese  
authorities.

893.0146  
The American Ambassador, acting under instructions  
from Washington, lodged a formal protest verbally regarding  
Japanese action in using the International Settlement at  
Shanghai as a base of operations.

Following a conference between the Minister of War,  
Navy and Foreign Affairs, it was tentatively decided to  
despatch one army division to Shanghai to replace the  
bluejackets, subject to approval at a Cabinet meeting to  
be held in a few hours' time.

For the Minister,

PERKINS

WSB

TELEGRAM RECEIVED

REP

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

GRAY

FROM

Shanghai via N. R.

Dated February 1, 1932

Rec'd 6:20 p. m.

Secretary of State,  
Washington.

February 1, 11 a. m.

The Department's January 29, 6 p. m.

This requires a little explanation. It is when some emergency is declared there is appointed a Defense Committee composed of Chairman of Municipal Council, Commander of Shanghai Volunteer Corps and the senior officer of each landing force. These approve the division of the Settlement into sectors for defense purposes, each nationality being assigned by Defense Committee a certain sector. I have not confirmed the actual proceedings this Committee. On the 28th, however, the Japanese Admiral <sup>defined</sup> ~~the~~ <sup>assignment to</sup> ~~the~~ the Japanese, saying that the Defense Committee allocated that sector of the Settlement for Japanese defense extending from the river following the northern boundary to an undetermined point on Settlement boundary and the Municipal property and road in the "tongue" (see my telegram January 31, 5 p. m.) and when he informed the Committee

Division of  
FAR EASTERN AFFAIRS  
FEB 2 1932  
Department of State

F/LS- 793.94/3874

FILED

FEB 4 1932

792.94

note

792.94

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Department of State letter, August 10, 1972  
By Milton O. Lustigsm NARS, Date 12-18-75

REP

2- from Shanghai, Feb. 1, 11 a. m.

Committee that in order to protect the International Settlement it would be necessary for him to extend his line westward to the Woosung Railway and eastward to Sawgin Creek the Committee "assented as a temporary measure". The Admiral also emphasized that it was necessary to extend to the railway in order that he might protect the many Japanese residents in that section.

Repeated to the Legation and Panking.

CUNNINGHAM

HPD



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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

REP

FROM

GRAY

Tokio

Dated February 2, 1932

Rec'd 10:55 a. m.

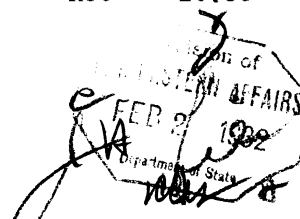
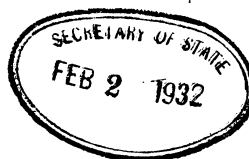
Secretary of State,  
Washington.

34, February 2, 9 p. m.

Department's 34, February 1, 3 p. m.

The British Ambassador and I met the Foreign Minister at 6 o'clock. The French Ambassador's message did not arrive in time to be decoded for simultaneous presentation but he arrived with it before the interview was over. Mr. Yoshizawa's attitude and words were wholly conciliatory. He began by asking us to express his appreciation to our Governments for their prompt and effective consideration of his request for our good offices in the effort to secure the withdrawal of Chinese forces. After reading the two notes carefully, comparing them line by line, he began by saying he could see no reason for the inclusion of the fifth point with the others. He said it was wholly unrelated; the British Ambassador explained the relationship and we made it clear to him that it carried with it a concession by

China



F/LS 793.94/3875

FILED

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

2- #34, from Tokio, Feb. 2, 9 p.m.

China, as the Chinese had always insisted on evacuation as a condition precedent to carrying on negotiations. The Foreign Minister said, however, that his predecessor and he had always stood definitely against the inclusion of neutral observers and that he knew his present Cabinet felt the same and would not assent to it. He said he was favorably disposed to all of the first four points and would take the matter up with the Minister of the Navy indicating that he would recommend favorable consideration and asked if the acceptance of these four points would be satisfactory to our Governments. I pointed out to him that China was also concerned and as these identic propositions were being simultaneously made to Nanking we could not answer how acceptable the acceptance of a portion would be; but we all agreed and recognized that these first four points if agreed upon immediately would end the tense situation in Shanghai, which is the matter of most immediate import now. We all agreed to advise our Governments in this sense. (By the time we had reached this point the French had arrived and all three agreed.) He promised to take the matter up immediately and let us know immediately - probably tomorrow morning.

He advised

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

3- #34, from Tokio, Feb. 2, 9 p.m.

He advised me that he had sent a full explanation of the shelling at Mankin to Mr. Debuchi. He would not say that additional land troops were being sent but stated they were considering it. The situation is tense here, and there is a good deal of nervousness among the American residents; additional police have been put about the British and our Embassies to guard against possible demonstrations.

Today the Chief of the General Staff of the Navy has resigned and Prince Fushimi has been nominated in his place; this making parallel organization to the recent change in the military establishment.

I heard confidentially that Admiral Nomura had been selected because of his cooperative character to be sent to Shanghai where he will direct operations.

FORBES

WSB

1852

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 894.51/325 FOR Memorandum  
  
FROM State Department  
Undersecretary ( Castle ) DATED Jan. 29, 1932.  
TO NAME 1-1127 \*\*\*

REGARDING:

Loans to Japan. Memorandum of conversation between Mr. Castle and Mr. Thomas W. Lamont, relative to, - by American financial interests. Conversation held in New York on January 28th, 1932.

jr

793.94/3876

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

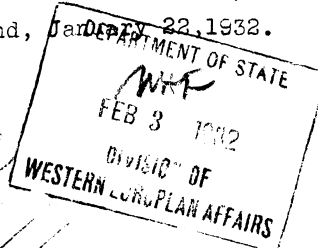
PM RECD

NO. 315. Political.



FEB - 2 32

AMERICAN CONSULATE,  
Geneva, Switzerland, Jan 22, 1932.



SUBJECT: Sino-Japanese Conflict.- Receipt of Summary of  
1-1065 GPO telegrams on the Manchuria Situation.

793.94  
DISTRIBUTION -  
To  
In U.  
THE HONORABLE

THE SECRETARY OF STATE,

WASHINGTON.

SIR:

I have the honor to acknowledge the receipt of the Department's instruction of December 31, 1931, transmitting a summary of certain telegrams received by the Department bearing on the Manchuria situation.

In compliance with this instruction I have transmitted a copy of the memorandum to the Secretary-General of the League of Nations for his discreet use, and confidential as to source, with the request that he not disclose the names or designations of persons mentioned in these messages.

Respectfully yours,

*Prentiss B. Gilbert*  
Prentiss B. Gilbert,  
American Consul.

FEB 4 1932

FILED

Original and Five copies to Department of State,  
One copy to American Legation, Berne, Switzerland.

F/LS 793.94/3877

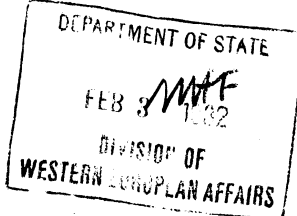
PM FEB 3

NO. 216. Political.

AMERICAN CONSULATE,

Geneva, Switzerland, January 22, 1932.

FEB - 2 32



SUBJECT: Sino-Japanese Conflict. - Receipt of Memorandum  
embodying Japanese Reply to American Statement  
of December 24, 1931.

THE HONORABLE  
THE SECRETARY OF STATE,  
WASHINGTON.

SIR:

I have the honor to acknowledge the receipt of the  
Department's instruction of December 31, 1931, transmitting  
for my confidential information a copy of the text of the  
memorandum, as telegraphed to the Department by the  
Ambassador at Tokyo under date of December 27, constituting  
the reply of the Japanese Government to the statement in  
regard to the situation at Chinchow left by the Ambassador  
with the Japanese Minister for Foreign Affairs on December  
24, 1931.

Respectfully yours,

*Prentiss B. Gilbert*  
Prentiss B. Gilbert,  
American Consul.

Original and Five copies to Department of State.  
One copy to American Legation, Berne, Switzerland.

F/LS 793.94/3878

FEB 4 1932

FILED

1855

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

EE

# TELEGRAM RECEIVED

REP

FROM

PLAIN

Peiping via N. R.

Dated February 2, 1932

Rec'd 1:15 p. m.

Secretary of State,  
Washington.

182, February 2, 9 p. m.

Following from Reuter, Tokio, February 2:

"Thirty thousand Japanese are crying for help from their country. If help does not come we must either leave or await death. These words are contained in a lengthy appeal cable to the Japanese Government by the President of the Japanese Association of Shanghai urging the immediate despatch of troops which the Japanese Minister, Mr. Higemitsu, and the Consul General, Mr. Murai, are likewise urging.

The appeal declares the Chinese shells are falling where the Japanese population is densest and expresses grave fear that the Chinese refugees who are swinging into the International Settlement may combine with Communists to plunge the city into disorder.

(END PART ONE).

PERKINS

KLP  
HPD

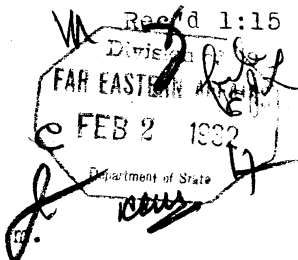
F/LS

793.94/3879

FILED

FEB 9 1932

793.94  
note  
393.94  
893.102-S  
511.01504



TELEGRAM RECEIVED

REP

PLAIN

FROM

Peiping via N. R.

Dated February 2, 1932

Rec'd 1:35 p. m.

Secretary of State,  
Washington.

182. February 2, 9 p. m. (PART TWO)

The British and American protests to Japan are given wide prominence in the vernacular press today but press comment on them is thus far mainly conspicuous by its absence.

571.01-2-a4  
The JIWI~~SHIMBUN~~ in an editorial say that it appreciates the anxiety of the powers and hopes that they will use their influence to persuade the Chinese to withdraw their troops but the other leading papers devote their editorials to the question of disarmament.

While it seems probable that the lack of comment is partly due to the authorities advising avoidance of excitement the general reaction appears to be one of regret that the powers fail to understand the Japanese position combined with a conviction that appreciation of that position will come as soon as the first wave of excitement has died down allowing more dispassionate views."

(END MESSAGE).

U  
FOR THE MINISTER  
PERKINS

KLP



1857

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

FE  
WE

## TELEGRAM RECEIVED

REP

FROM

DEPARTMENT OF STATE  
 FEB 9 1932  
 DIVISION OF  
 WESTERN EUROPEAN AFFAIRS  
 London  
 Dated February 9, 1932

Rec'd 12:55 p. m.

Secretary of State,  
 Washington.

44, February 2, 2 p. m.

Referring to my telephone conversation with you today,  
 the following is advance copy of that part of Foreign  
 Secretary's statement to be made in the House of Commons  
 today which deals with the representations to be made  
 at Tokyo and Nanking.

"I would now add and this is of great importance,  
 that instructions were sent to His Majesty's representa-  
 tives at Tokyo and Nanking to deliver this morning to  
 their respective Governments the following proposals,  
 and press strongly for their acceptance, indicating that  
 they are being simultaneously urged upon the other  
 party. They have been concerted with the United States  
 Government, and the French and Italian Governments are  
 being asked to act similarly.

One. Cessation of all acts of violence on both  
 sides forthwith on the following terms:

Two. No further mobilization or preparation whatever  
 for

F/LS 793.94/3880

FILED

793.94  
 note  
 893.1028  
 711.0012 (inter-war)  
 500.0112

DEPARTMENT OF STATE  
 FEB 2 1932  
 DIVISION OF  
 FAR EASTERN AFFAIRS  
 Department of State

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

2- #44, from London, Feb. 2, 2 p.m.

for further hostilities.

Three. Withdrawal of both Japanese and Chinese combatants from all points of mutual contact in the Shanghai area.

Four. Protection of the International Settlement by the establishment of neutral zones to divide the combatants. These zones to be policed by neutrals; the arrangements to be set up by the consular authorities.

Five. Upon acceptance of these conditions prompt advances to be made in negotiation to settle all outstanding controversies between the two nations in the spirit of the Pact of Paris, and the resolution of the League of the ninth of December without prior demand or reservations and with the aid of neutral observers or participants."

ATLERTON

KLF  
HPD

711.0012 Anti-War  
500.0112

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS. Date 12-12-75

DOCUMENT FILE

NOTE

SEE 893.113/1359 FOR Memorandum

FROM State Department (Hamilton) DATED Jan 29, 1932  
TO F.E. NAME 1-1127 o.p.

REGARDING:

For joint resolution of Senator Dill prohibiting the sale of arms and munitions to China or Japan. The resolution has been referred to the Committee on Foreign Relations.

ek

793.94/3881

185

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

PLAIN  
**TELEGRAM RECEIVED**

Peiping via N.R.

Dated February 2, 1932

FROM

Rec'd 1:45 p.m.

793.94  
note  
293.41

Secretary of State,

Washington

180, February 2, 7 p.m.

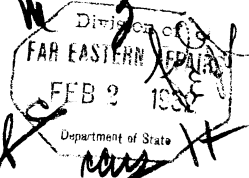
Following from Reuter, Nanking, February two, "Chinese officials were amazed this morning when Japanese naval authorities went ashore and proceeded to Foreign Office to protest concerning last night's events.

The Japanese navy men declared that Chinese troops had fired on the Japanese marines and said that upon this their warship opened fire.

893.0146

From the tone of their protest it was gathered that further action might follow and this fear was justified when at 10:45 a.m. Japanese marines and sailors landed at Tungtai Hill, slightly up river from Hsiakwan.

They have occupied the hill. Chinese troops have been drafted to that area to resist any attack and a clash appears inevitable. Japanese marines have also landed in considerable numbers on Hsiakwan water front and are now facing the Chinese troops which are posted along the water front



F/LS 793.94/3882

FILED

FEB 9 1932

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2-#180 from Peiping via N.R.,  
February 2, 7 p.m.

waterfront and a clash probable here also.

393.41  
The British Consular authorities express concern over the situation this morning but they stated that it was not yet planned to evacuate British nationals.

Nanking will soon be a deserted city as far as the Chinese are concerned. The immense Chung Chan Highway this morning is a river of humanity fleeing southward seeking safety from the Japanese. It is an appalling sight to see the terror-stricken people fighting for room on the road."

For the Minister,

PERKINS

ARL

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Lustigsm NARS, Date 12-18-75

FE

## TELEGRAM RECEIVED

MET

PLAIN

FROM

Peiping via N.R.

Dated February 2, 1932

Rec'd 1:40 p.m.

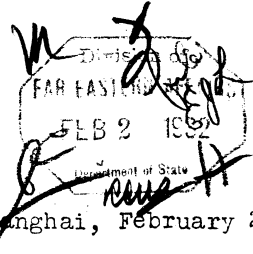
793.94

Secretary of State,

Washington

181, February 2, 8 p.m.

Following from Reuter, Shanghai, February 2:



F/LS 793.94/3883

"A serious renewal of hostilities expected following an announcement to the consular body by Admiral Shisawa that as the Chinese have broken the truce by firing on Japanese marines and sailors and by dropping a shell near his flagship he is obliged to take action to protect his marines and sailors.

That the seriousness of the situation is not abating was made evident by Japanese reports that arrangements were being made to evacuate all Japanese women and children from Shanghai by February 5th.

Two Japanese aeroplanes ascended at one ten this afternoon and are flying over the Settlement and Chapei".

For the Minister,

PERKINS

KLP

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

CONFIDENTIAL



DEPARTMENT OF STATE  
 THE SECRETARY

February 1, 1932.

MEMORANDUM OF CONVERSATION BETWEEN SECRETARY STIMSON  
 AND THE AMBASSADOR OF GREAT BRITAIN, THE HONORABLE  
 SIR RONALD LINDSAY.

Shanghai.

I called the British Ambassador in from Mr. Castle's room where he had called, and I told him of the conversations which had taken place over the telephone between the Prime Minister and myself yesterday and today; that we had received this cable from Tokyo which seemed to be an appeal for good offices from the Japanese Foreign Minister; that the President and I had drafted five points as a proposal, which I had telephoned this morning to the Prime Minister, and I had just received the reply that they were acceptable in principle to the British. I also told him of the further steps which were to be taken pursuant to that.

I then told the Ambassador that I had heard from the Navy that the Japanese naval vessels were beginning to bombard Nanking and that I was sending for Debuchi to tell him that it was inconsistent with Yoshizawa's appeal for good offices, and to ask him to exercise control over the naval commanders.

HLS.

S HLS:BMS

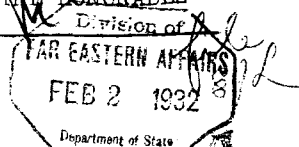
F/LS 793.94/3884

FILED

FEB 9 1932

793.94  
 note  
 893.1028

FE  
 MK



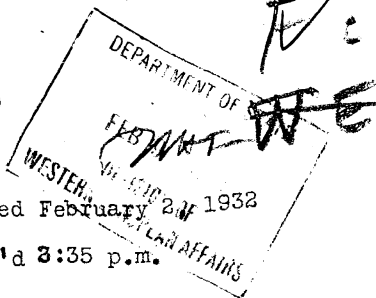
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

MET  
 This telegram must be  
 closely paraphrased be- FROM  
 fore being communicated  
 to anyone.

Rome

Dated February 2, 1932  
 Rec'd 3:35 p.m.



Secretary of State,  
 Washington

20, February 2, 7 p.m.

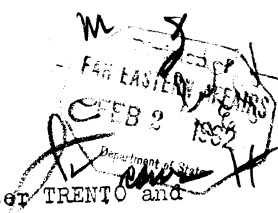
Am informed that the Italian cruiser TRENTO and  
 destroyer ESPERO with a detachment of 150 men in addition  
 to their regular complements have been ordered to sail  
 for Shanghai.

GARRETT

JHR-WSB

793.94  
 ~ sec  
 893.0146

F/LS 793.94/3885



FEB 12 1932

RTM MD



1865

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

# TELEGRAM RECEIVED

MET  
This telegram must be  
closely paraphrased be-  
fore being communicated FROM  
to anyone.

DEPARTMENT OF STATE  
FEB 9 1932  
DIVISION OF  
EASTERN AFFAIRS  
Dated Feb 10 1932  
Rec'd 11:25 a.m.

Secretary of State,

Washington

67, February 2, 11 a.m.

Department's 32, January 30, 5 p.m.

One. Olds, representing Yen, called on me this morn-  
ing and asked me if there had been any change in regard to  
Washington's attitude respecting the Nine Power. Inasmuch  
as an inquiry from China in this respect did not seem  
entirely applicable to the policy expressed in the Depart-  
ment's telegram under reference I based my reply again upon  
the position described in the Department's 29, January 27,  
6 p.m., only discussing with Olds in a general way the  
advantages seen in a support on the part of Council members  
of the American position as set forth in its <sup>identical notes</sup> of January  
7. I am making the foregoing clear to the Department as  
Olds told me that Yen had received further telegrams from  
the Chinese Charge d'Affaires in Washington conveying his  
interpretation of more recent views which he said had been  
expressed to him in the premises by officers of the Depart-  
ment. I handled the matter with Olds as I have stated in  
order to

793.94  
m-  
500.2112  
500.242

W 7:30 Tel sent  
FAR EASTERN AFFAIRS  
FEB 2 1932  
Department of State

F/LS 793.94/3886

FILED

FEB 12 1932

MET

2-#67 from Geneva, February 2,  
11 a.m.

order to avoid any possible confusion arising from the continual inquiries which the Chinese seem to be putting forth on this point both in Washington and with me.

Olds informed me that he felt if the Nine Power Treaty be invoked <sup>it should be done by</sup> ~~(?) may offer~~ the complaining power i.e. China. He said that Yen had telegraphed his Government "to renew its study of the question". Olds is somewhat inclined to think that if the situation does not ameliorate China may invoke the Treaty within the next few weeks.

Three. There has been so much in the atmosphere here in Geneva concerning the Nine Power that I thought it well to obtain if possible some light on the situation provided I could do so without making any reference whatsoever to American policy either as expressed in the Department's telegram under reference or in any previous telegrams. I found the opportunity to do it this morning in the course of a conversation I had with Drummond on an entirely different matter. I incidentally obtained from him in this manner certain information and likewise an expression of his views on this question which I think the Department may find useful in a consideration of its position should the question of an invocation of the Treaty be brought directly before it.

(note

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

3-#67 from Geneva, February 2,  
11 a.m.

(note Consulate's 35, January 26, 4 p.m., paragraph four -  
two). (END SECTION ONE)

GILBERT

HPD

TELEGRAM RECEIVED

REF

This telegram must **FROM**  
be closely paraphrased be-  
fore being communicated  
to anyone.

GENEVA

Dated February 2, 1932

Rec'd 12:40 p. m.

Secretary of State,  
Washington.

67, February 2, 11 a. m. (SECTION TWO).

Four. Drummond disclosed to me that a few days ago he had placed before the representatives of Great Britain, France and Italy the question of the Fine Power Treaty merely to obtain their views and without advocating any course. He said that these representatives saw in its invocation a great advantage in that it provided a specific means for the collaboration of the United States with the other powers which did not exist at present. On the other hand they feared that Japan could in perhaps obvious ways, and also in ways that might not be foreseen, take advantage of the double jurisdiction thus created to confuse the issue and perhaps to escape from some of its present commitments. In particular the League authorities do not wish to lose the advantages which are now afforded under Article 15 of the Covenant to conduct investigations without, if necessary, the assent of Japan. The

consensus of

REP

2- #67, from Geneva, Feb. 2, 11 a.m.  
Section Two.

consensus of opinion was that an invocation of the treaty at the present time is undesirable. What other preoccupations these powers may have had in reaching this conclusion is naturally a matter of speculation.

Five: Drummond is of course cognizant of the fact that China is giving consideration to invoking the treaty. Taking as a basis that China decides to invoke the treaty, Drummond feels that the procedure followed in its invocation might become a matter of great importance. Although the implementing of the treaty does not necessarily involve the calling of a conference he believes that to accomplish any tangible results a conference would be essential. If a conference were not (repeat not) called Japan might merely state her willingness to enter into "full and frank communication" with the powers (which she has already declared she would do with the Council) and the situation would be no further advanced. I have reason to believe that in his conversations with Yen Drummond is advising Yen that if China decides on her own responsibility to invoke the treaty that China suggest at the same time that the presence of the representatives of the various powers in Geneva afforded an opportunity for their meeting in

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

REP

2- #67, from Geneva, Feb. 2, 11 a.m.  
Section Two.

meeting in Geneva which would not only serve the purpose  
of an immediate and convenient place of meeting but  
lend effect <sup>in a</sup> ~~a~~ natural coordination between the efforts  
of the powers party to the Treaty and that of the  
League. I believe, however, that the general line  
Drummond is taking with Yen is with a view to  
dissuading China from invoking the Nine Power Treaty  
at least at the present time.

(END MESSAGE).

GILBERT

RR

WCB

1 1871

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

Collect  
Charge Department  
OR

Charge to  
\$

TELEGRAM SENT

Department of State

1-138

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Washington,

February 2, 1932.

79-9-3886  
WILSON

FEB 3 32

BERGUES

GENEVA (Switzerland).

4 2. 1 3886  
Your 67, February 2, 11 a.m.

Department's 29, January 27, 6 p.m. still stands.

*Simpson*

*Simpson*

Enciphered by FE: SKH/VDM

Sent by operator M., 1932

Index Bu.—No. 50.

U. S. GOVERNMENT PRINTING OFFICE: 1929 1-138

793.94/3886

187  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DOCUMENT FILE

NOTE

SEE 893.77/2832 FOR MEMORANDUM.

FROM State Department ( Feis ) DATED Jan. 21, 1932.  
TO Economic Adviser NAME 1-1127 ...

REGARDING:

Mr. Kinney, American representative of the South Manchuria Railway, having just left Tokyo said that he found nothing to indicate that the Japanese did not intend directly or indirectly to retain control over Manchuria.

hs

793.94/3887



FEE

TELEGRAM RECEIVED

CJH

FROM

GRAY

SHANGHAI via N.R.

Dated February 3, 1932,

Rec'd. 6:25 p.m. Feb. 2nd.

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

Secretary of State,  
Washington.

PRIORITY.

February 3,

Following not to be given press, is excerpt of  
exclusive interview with Abend, NEW YORK TIMES corres-  
pondent. Japanese Minister today stated that Shanghai  
situation is that Chinese troops withdraw distance from  
which it would be impossible their artillery reach  
Japanese defense lines International Settlement, where-  
upon Japanese marines would withdraw original position  
inside the Settlement. This proposal was refused when  
made by me to the Japanese at the conference on January  
31st. It is indeed gratifying that the Minister has  
modified the Admiral's attitude at that time. The  
Minister also stated that there would be no more aero-  
plane bombing unless the aeroplanes were attacked.

Repeated to the Legation and Nanking.

CUNNINGHAM

FW

OX

F/LS 793.94/3888

Division of  
FAR EASTERN AFFAIRS  
FEB 3 1932  
Department of State

FEB 4 1932

793.94  
note  
893.1028

1874

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

*FE*

TELEGRAM RECEIVED

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

mam

HISTORICAL FROM  
FEB 3 1932  
DEPT. OF STATE

GRAY

SHANGHAI VIA NR

Dated February 2, 1932

Rec'd 10:35 p.m.

Secretary of State

Washington

PRIORITY

February 2, 11 p.m.

Division  
FAR EASTERN  
FEB 3 1932  
Department of State  
*nas*

*793.94  
note  
893.102-5*

Regarding various sectors in the Shanghai defence

scheme the Department is informed that the map of Shanghai showing these sectors delineated was sent to the marine headquarters at Washington with the annual operations report of Fourth Regiment July 1, 1931.

FW

CUNNINGHAM

OX

F/LS 793.94/3889

FILED  
MAR 10 1932

cib

TELEGRAM RECEIVED

Nanking

Dated February 2, 1932

FROM

Recd 10:47 p.m.

Secretary of State

Washington.

February 2, midnight.

Your telegram No. 12, February 1, 3 p.m.

Text of the Chinese reply received by me at 11:30 p.m.

is as follows:

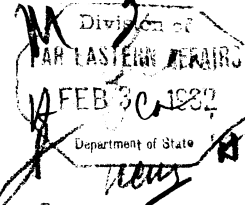
"Waichiacpu, February 2, 1932.

Excellency.

I have the honor to acknowledge the receipt this afternoon of Your Excellency's note of today's date communicating from the American Government to the National Government of China the 'proposal of the powers for cessation of conflict.'

Actuated by sincere desire to observe strictly the obligations of such international agreements as guarantee world peace and the sovereignty, independence and territorial and administrative integrity of nations, the National Government of China accepts the proposal presented by the powers as contained in Your Excellency's note. The National Government, however, desires to point out that the terms 'neutral zones' used in the fourth paragraph in the present situation so far as China is concerned and wishes to suggest that these terms be changed to 'peace areas' and 'third powers', respectively.

I avail



793.94/3890

FILED

18750  
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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

cib

-2- from Wanking.

I avail myself, et cetera.

(signed) Lowenkan."

JOHNSON.

FW

187  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Lustig NARS, Date 12-18-75

FE

TELEGRAM RECEIVED

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

WP

FROM GRAY

Shanghai

Dated February 2, 1932

Rec'd 10:35 p. m.

Secretary of State,

Washington

February 2, 9 p. m.

PRIORITY.

Referring to your January 31, 11 p. m., am I

authorized to make any expenditures in connection with

billeting army requirements from Manila in Shanghai?

If so, instructions requested.

Copy to Commander-in-Chief United States Asiatic  
Fleet.

Not repeated to the Legation.

CUNNINGHAM

FW

Division of  
FAR EASTERN AFFAIRS  
FEB 2 1932  
Department of State

793.94/3812 a

793.94/3891

FEB 4, 1932

FILED

1873  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

DEPARTMENT OF STATE


DIVISION OF FAR EASTERN AFFAIRS

February 3, 1932.

~~RSM:~~  
MMH:  
SKH:

I discussed this matter over the telephone with Major Crane of M.I.D. He stated that the question of expenditures in connection with the billeting of the army regiment from Manila was taken care of in the orders which directed them to proceed to Manila. I also read the attached telegram to him and he agreed.

I also asked Mr. Gauss if the State Department had been concerned with expenditures in connection with the billeting of our marine forces in 1927 and he replied in the negative.



100-17377

1875

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

1-138  
 PREPARING OFFICE  
 WILL INDICATE WHETHER

Collect  
 Charge Department  
 OR  
 Charge to  
 \$

TELEGRAM SENT

Department of State

1-138  
 TO BE TRANSMITTED  
 CONFIDENTIAL CODE  
 NONCONFIDENTIAL CODE  
 PLAIN



Washington,  
 February 3, 1932.

3

AMERICAN CONSUL

FEB 3 32

SHANGHAI (China).

13171  
 Your February 2, 9 p.m.

Make no repeat no expenditures in connection with  
 billeting army regiment from Manila. Department under-  
 stands that such expenditures will be taken care of by  
 the Commanding General, Philippine Department.

Stimson  
 WLC

793.94/3891

~~FE/EEJ/VDM~~

m.m.H.  
 FE

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_

TELEGRAM RECEIVED

MET

FROM

GRAY

Tokio

Dated February 3, 1932

Rec'd 6:58 a.m.

Secretary of State,

Washington

37, February 3, 5 p.m.

My telegram No. 34, February 2, 9 p.m.

We urged the importance of an early decision. Today we are informed the Foreign Minister has visited Prince Saionji and cannot return until late tonight, and will give answer tomorrow morning. This indicates the momentous nature of the decision.

I feel I should have laid greater stress upon importance Yoshizawa gave to the idea of the Shanghai proposition regarded as distinct from movements affecting other parts of China.

It is confirmed that Admiral Nomura has been placed in charge of the third fleet, to be composed of ships operating in China waters.

The indications are that the Government has definitely decided

F/LS 793.94/3892

FILED

793.94  
note  
893.102 S

REC'D  
FEB 3 1932  
Department of State  
FOR FOREIGN AFFAIRS



DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MET

2-#37 from Tokio, February 3,  
5 p.m.

decided to send a division of land forces to China, to a destination other than Shanghai. This information was given the newspapers last night but a ban was placed upon their publication or sending out by cable. Twelve days required to move the troops.

We are getting no direct reports from Shanghai. Would appreciate your instructing Cunningham to give us authoritative statements outstanding events such as reach the British Embassy here.

FORBES

WSB

1-882

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM SENT

1-138  
PREPARING OFFICE  
WILL INDICATE WHETHER

1-138

TO BE TRANSMITTED  
CONFIDENTIAL CODE  
NONCONFIDENTIAL CODE  
PLAIN

Collect  
Charge Department

Department of State

Charge to  
\$

Washington, *Guy*

February 3, 1932. *man*

*793.94/3892*

AMERICAN EMBASSY

TOKYO (JAPAN).

*35*

Your *37/38* February 3, 5 p.m. last paragraph.

The Consul General at Shanghai has been instructed/  
in accordance with your request.

The Department <sup>*request*</sup> ~~would appreciate~~ from you fuller  
and more frequent reports, if possible, of events in  
Tokyo. <sup>*and opinion*</sup>

793.94/3892

*Strinson*  
*Wly*

222 071

*RAM*  
FE:RSM:EJL

FE

*Start*



Enciphered by \_\_\_\_\_

Sent by operator *M.*, \_\_\_\_\_, 19\_\_\_\_

Index Bu.—No. 50.

AM REC'D

U. S. GOVERNMENT PRINTING OFFICE: 1929 1-138

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1793.94

XI

YF

*[Handwritten signature]*

*[Handwritten: 9/17/75, State, I-27-52]*

FROM ALUSNA TOKYO  
TO NAVINTTEL

1627 THERE IS POSSIBILITY OF BLOCKADE AGAINST CHINA SHIPPING  
BETWEEN WOOSUNG AND SHANGHAI. GOVERNMENT STILL HOPES TO CONFIN  
INCIDENT TO LOCAL AFFAIR BUT SOME APPREHENSION FELT AS TO OUTCOME.  
1 DESTROYER SQUADRON COMPRISING 12 BOATS PLUS YUBARI WITH LANDING  
FORCES OF 500 MEN ~~XXXXXXXX~~ DEPARTED FROM SASEBO FOR SHANGHAI  
YESTERDAY. 1750

REC IN CODE ROOM AT 1510 27 JANUARY 1931

DISTRIBUTION

- 16.....ACTION
- 10A.....SHOWN
- 11.....SHOWN
- 19.....
- 20.....
- FILE.

*[Stamp: 3/19/75]*

F/LS 793.94/3693

1793.94/3693

1884

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

TELEGRAM RECEIVED

CIB

FROM

GRAY

Shanghai

Dated February 2, 1932

Recd 11:04 p.m.

Secretary of State

Washington.

PRIORITY.

February 2, 5 p.m.

Your February 1, 10 p.m.

Following for your information.

With reference to Minister of Foreign Affairs point  
E, American Sector bounded on East by Myburge and Mowhawk  
roads on South by French concession on West by Settlement  
boundary and on North by Soochow Creek.

British Sector is West of American and extends to  
Shanghai-Hangchow Railway. These sectors are held by  
Americans and British.

With reference to F, American marines patrolling in  
American Sector evening January 30th picked up armed  
Japanese civilians and turned them over to settlement  
police.

Repeated to the Legation and Nanking.

CUM INGHAM.

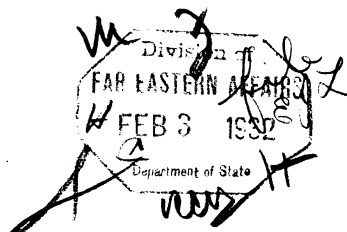
JS

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

F/LS 793.94/3893

FILED

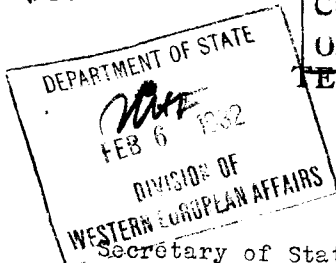
793.94  
note  
893.102-S



1885

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

CJH

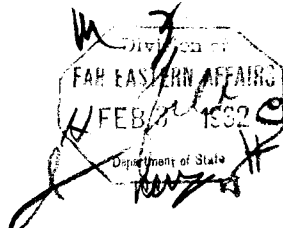


COPIES SENT TO GREEN & GRAY  
 O.N.I. AND M.I.D. GENEVA  
 TELEGRAM RECEIVED

Dated February 2, 1932

Rec'd. 8:10 p.m.

FROM



Secretary of State,  
 Washington.

701 February 2, 4 p.m.

493.94  
 note  
 500 C112  
 893.102-S  
 893.102-Handling  
 793.94-Comm.

In public session just concluded, called at request  
 of British Delegation, the Council resumed consideration  
 of the Sino-Japanese dispute.

One. Thomas, Great Britain, made the following  
 statement: "His Majesty's Government in the United  
 Kingdom feels it is impossible that the present position  
 in the Far East should be allowed to continue. Every day  
 brings news of some fresh incident of the utmost gravity.  
 Fighting over a wide area is practically continuous.

Shanghai is the scene of a series of conflicts in which  
 rifles and machine guns, artillery and aeroplanes, are  
 taking part. War in everything but name is in progress.  
 To such a state of things the members of the League  
 of Nations cannot be indifferent. If it is allowed to go  
 on, the Covenant, the Pact of Paris and the Nine Power  
 Treaty must inevitably lose the confidence of the world.

It is not without significance to members of the  
 League that the United States Government take entirely  
 the same view of the situation. In all the efforts for  
 peace put forth by the Council during the last four

months

F/LS

793.94/3894

FILED

FEB 8 1932

CJH

Page 2 - #70 from Geneva.

months we have been happy to receive the whole hearted sympathy and support of the United States. On several recent occasions the Council has pressed its members to second its efforts by diplomatic representations to the two governments concerned. His Majesty's Government and other governments members of the League have shown themselves ready to respond to that appeal. Unfortunately these efforts have been, so far, unsuccessful. His Majesty's Government therefore, in concert with the Government of the United States, have decided to make a further effort to bring the present lamentable state of things to an end and they trust that other governments will see their way to take similar action. They have accordingly presented at Tokyo and Nanking a formal request:

One. That all acts of violence and preparation for hostilities shall be brought to an end;

Two. That in the Shanghai area both sides shall withdraw their troops and that as a further protection to the International Settlement a neutral zone shall be arranged;

Three. That negotiations shall then be immediately begun to settle outstanding differences in the spirit of the Pact of Paris and the Council resolution of the Ninth, December last.

I propose to read to the Council the following statement which is being made to the House of Commons this afternoon.

I regret

DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
 Department of State letter, August 10, 1972  
 By Milton O. Gustafson NARS, Date 12-18-75

CJH

Page 3 - #70 from Geneva.

I regret to state that hostilities of a very serious nature broke out on the night of the 29th January between Chinese and Japanese forces at Shanghai. His Majesty's Government regard these events with grave concern both in the general interests of peace and owing to the proximity of the International Settlement, with consequent danger to the lives and property of British nationals. We have lost no time in making pressing representations more than once repeated and have urged the Japanese and Chinese Governments and their commanders on the spot to accept a scheme which has been put forward as a result of the efforts of the British and United States Consuls General at Shanghai for the establishment of a neutral zone between the Chinese and Japanese forces. This zone would have to be occupied by troops of the neutral powers which have forces in the International Settlement. Instructions have been given for British troops to cooperate if the zone can be established. Owing to the efforts of the Consuls General a truce was arranged on the evening of the 29th January, but I regret to see in the latest press report that fighting appears to have broken out again. His Majesty's Government have, however, urged upon both Governments with utmost earnestness to do what lies in and upon them to remedy the existing situation. As regards the military and naval position, in addition to the three British battalions already in

Shanghai

CSH

Page 4 - #70 from Geneva.

Shanghai , His Majesty's Government decided on Sunday to despatch a war vessel from Hongkong carrying a battalion of infantry and a battery of artillery as a reenforcement. The naval forces consisting of His Majesty's ships CORNWALL, SANDWICH, together with two gunboats, will shortly be reenforced by KENT and SUFFOLK, Arrived on Sunday.

His Majesty's Government has throughout kept in the closest consultation with the other powers primarily concerned. This course is being and will be actively maintained. His Majesty's Consul General at Shanghai is similarly cooperating closely with the representatives of the other powers.

About 11 p.m., last night Japanese men-of-war on the river opened fire with several rounds of live shell in the direction of the City of Nanking. Our latest information is that all is quiet for the moment and that all British subjects are safe.

In bringing their action to the notice of the Council His Majesty's Government in the United Kingdom are satisfied that it will receive the approval and support of their colleagues.

Two. Tardieu made the following communication in the name of the French Government:

"The French Government when it received notice of the British communication which has just been read, immediately sent to its representatives at Tokyo and Nanking instructions to take the steps to which reference has been made. The reenforcements of the French forces, both naval and land, will be carried out forthwith".



CJH

page 5 - #70 from Geneva.

Three. Grandi made the following communication in the name of the Italian Government:

"I desire to inform the members of the Council that the Italian Government has also taken steps in approaching the Japanese and Chinese Governments in the way that has just been indicated by the British representative.

I am confident that these two Governments will find means to prevent new difficulties being added to those which the League of Nations has hitherto been trying to settle.

May I once more express the hope that we may soon have news of an appreciable improvement on the situation".

Four. Weizacker, Germany, made the following:

"I will at once inform my government of the statements that have been made to the Council so that my government will be able to take any measures that are necessary in order forthwith to convey adequate instructions to its diplomatic officers in the two capitals. No government can be more desirous than is my government of seeing a pacification brought about in the Far East".

Five. Yen expressed his appreciation of the steps taken by these governments and the United States Government and announced that he would immediately transmit a report on this Council meeting to China.

Six. Sato then read a telegram from the Japanese Government reporting an interview between the Japanese Minister for Foreign Affairs and the Ambassadors of Great Britain, France and the United States on January 31 regarding the situation

CJH

Page 6 - #70 from Geneva.

situation in Shanghai to the general effect that:

"The action which the Japanese forces were obliged to resort to at Shanghai was the outcome of an attack by the Chinese followed by repeated violations of the agreements concluded through representatives of third powers".

Sato, in commenting upon the statements made by the Council members quoted above, then declared that it was the Japanese Government itself which asked the representatives of Great Britain, France and the United States at Tokyo "to take concerted action such as was required at Shanghai". Furthermore Japan made this request without any hesitation in view of the need for exceptional measures. He further stated that the idea of a neutral zone had likewise been advanced by the Japanese representatives in Shanghai and that the British proposal to establish such a zone would be supported by his government.

note  
893,102-Inquiry  
With regard to the bombardment of Nanking, Sato explained that after a detachment of Japanese marines stationed on the pontoon of the Nisshin Navigation Company had been suddenly attacked by Chinese soldiers, thirteen shots were fired from three ships a "little to the rear of the pontoon". Later the Japanese marines were brought back aboard ship and that ship moved three miles up stream.

note  
793,94-Comm.  
Seven. With reference to the Shanghai Committee, Drummond expressed the opinion that the Council would wish to await a report from that Committee and announced that he had asked for it urgently. He also announced that he had arranged for Haas, a member of the Secretariat now in Shanghai, to act as Secretary of the Committee and that Haas had informed him that the Committee

would

mam

7- #70, from Geneva, February 2,  
1932

would probably meet today. He then proposed a resolution authorizing expenditure to cover the cost of this committee which was adopted.

Eight. The meeting closed with the following statement by the President:

"At the conclusion of this meeting I desire to make two statements. First of all, with regard to local events, the Council is bound to await the report of the committee which has been set up at the request of the Council and for which a credit has just been Voted.

Secondly, as regards the general object of this meeting, the proposal of the British representative has been supported by representatives of several other countries. The object of the proposal is to associate the authority of the Council with the steps that have been taken by the different countries for a pacific settlement of this question. Having accorded that authority I hereby declare the meeting closed".

FW

GILBERT

DAS

TELEGRAM RECEIVED

MO

GRAY

Nanking

FROM

Dated February 2, 1932

Rec'd. 7:58 p.m.

Secretary of State,  
Washington.

February 2, 7 p.m.

Your 12 February 1, 3 p.m. to Peck.

British Counselor of Legation in Nanking had not

received instructions relative to the proposal for  
cessation of hostilities but Peck delivered the note  
in the manner directed. The Minister of Foreign Affairs  
read the note with evident gratification and asked Peck  
to say that he appreciates the friendly spirit in which  
the proposals for the cessation of hostilities are made  
by the American Government and that the Chinese Govern-  
ment will give the proposals immediate favorable con-  
sideration. He said that of course a written reply  
would be sent at the earliest possible moment but it  
will be necessary to refer the matter by telegraph to  
members of the Government who are in Loyang. Neither  
the French nor German Legation representatives here have  
received any instructions regarding the proposals. Peck  
has subsequently been informed over the telephone by

Vico

FE  
F/LS 793.94/3895

FT and

793.94  
note  
893.1025

Division of  
FAR EASTERN AFFAIRS  
FEB 3 1932  
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159  
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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

MC

#2 Tel. Feb. 2, 7 pm from Nanking

Vice Minister Quo Taichi that a reply is even now in  
preparation accepting the proposals without reservations.

Johnson

FW

CJH

TELEGRAM RECEIVED

NANKING

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

Dated February 2, 1932

FROM

Rec'd. 8:15 p.m.

Secretary of State,

Washington.

28, February 2, 5 p.m.

My February 1, 11 p.m.

Rifle shots were only along the water front near the hulk at which was moored the steamer housing the Japanese Consul. American destroyer SILLIPSON was anchored about 600 yards distant between this and the Japanese naval vessel. Rifle fire was followed by machine gun fire and one minute later by fire toward shore of three inch gun from above mentioned Japanese naval vessel. Intermittent firing of gun on naval vessel continued for about twenty minutes. Japanese have today insisted that guns on Lion Hill fired three shots toward Japanese vessels, but the Chinese deny this. Chinese assert shells landed on Lion Hill and elsewhere in the city. Fragments were exhibited to me. Apparently no damage was done, but shots caused great alarm because Japanese vessels remain in the Harbor and the present tension exists regarding origin of the incident. The Japanese assert that a bomb was thrown by Chinese on to the Japanese

793.94  
note

293.11

Division of  
FAR EASTERN AFFAIRS  
FEB 3 1932  
Department of State  
Wash D.C.

F/LS  
793.94/3896

FEB 9 1932  
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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

CJH

Page 2 - # 28 from Nanking.

393.11  
the Japanese dock seriously wounding a sentry whereupon  
ship fired blank shots and subsequently shells to restore  
order, while the Chinese suspect a deliberate plot to  
embroil the Chinese in combat. The Consulate General  
explained the situation to a meeting of representative  
Americans today indicating belief that similar incident  
probably will happen again if the present situation continues.  
Over thirty American women and children will evacuate to-  
morrow. Chinese generally apprehend some hostile Japanese  
action and thousands are leaving the city. The Chinese  
authorities continue to assure the Consulate General that  
they will not take the initiative in the attack and that  
order will be maintained. Legation informed.

PECK

FW

DAS

1896  
DECLASSIFIED: E.O. 11652, Sec. 3(E) and 5(D) or (E)  
Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

1-138  
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PM TELEGRAM SENT

Department of State

1-138  
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NONCONFIDENTIAL CODE  
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Washington,

February 3, 1932.

793.124826  
393.11  
AMERICAN CONSUL, FEB 3 32

NANKING (China).

171  
Your 28, February 2, 5 p. m.

In order to assist Department in answering inquiries  
here, please send by naval radio names of Americans who  
evacuate Nanking.

7A  
2A  
793.94/3896

FE:MMH:REK  
MMH

FE  
HCH

Enciphered by \_\_\_\_\_

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_, \_\_\_\_\_

Index Bu.—No. 50.

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

EE

CJH

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

GRAY

FROM

FOOCHOW via N. R.

Dated February 2, 1932

Rec'd. 6:38 p.m.

Secretary of State,  
Washington.

February 2, 4 p.m.

Conditions Foochow quiet. Commissioner Chen Pei

Kun informed Consuls of United States, France and Great Britain every precaution taken to maintain peace and order of Foochow. Special marines and armed police detailed to Nantai Island. Evacuation of Japanese women and children proceeding during past two days. Reported Japanese men holding meeting today determine whether they shall evacuate. Feeling among some American missionaries that complete evacuation of Foochow by Japanese will lead to internal trouble among Chinese.

BURKE

FW

OX

793.94  
note  
893.102F  
393.11

F/LS 793.94/3897

FILED  
FEB 9 1932

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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MET

FROM

GRAY

Nanking

Dated February 2, 1932

Rec'd 3rd, 2:50 a.m.

Secretary of State,  
Washington

February 2, 11 p.m.

Your 12, February 1, 3 p.m. I arrived Nanking this  
afternoon and saw Minister of Foreign Affairs five o'clock  
to whom Peck had just delivered Department's message.

Lo showed me fragments of shells which he stated had  
fallen on Lion Hill and on Pei Chi Ko where Sung has house.

Saw Sung this evening. He said American note gives  
them hope although he does not believe Japanese will accept.  
He expects to go to Shanghai tomorrow to persuade bankers  
to give him money.

French Minister received his instruction about eight  
p.m.

JOHNSON

JS

792.94  
note

893.51

893.102 Nanking

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Department of State

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FILED  
FEB 9 1932

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

Peiping via N.R.

FROM

Dated February 3, 1932

Rec'd 5 a.m.

Secretary of State,

Washington

188, February 3, 3 p.m.

Following from Reuter, Nanking, February second:

"It has now been definitely established that last night firing was due to a misunderstanding. It is officially announced that a few Japanese sailors went ashore to purchase foodstuffs. They were challenged by a Chinese patrol but did not answer. The Chinese fired and the Japanese fled, returned to their ships and reported an 'attack' by the Chinese. The naval commanders were dubious and fired several shells, some of them blanks, to see if the Chinese forts would reply but there was no answer. The Japanese, therefore, ceased firing.

Now that the misunderstanding has been cleared up it is hoped that there will be no further trouble here".

For the Minister,

JS

PERKINS

793.94  
note  
893.102 Nanking

Division of  
FAR EASTERN AFFAIRS  
FEB 3 1932  
Department of State

F/LS 793.94/3899

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FEB 9 1932

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Department of State letter, August 10, 1972  
By Milton O. Gustafson NARS, Date 12-18-75

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MET

PLAIN

O.N.I. AND M.I.B.

FROM

Peiping via N.R.

Dated February 3, 1932

Rec'd 5 a.m.

Secretary of State,

Washington

187, February 3, 2 p.m.

Following from Reuter, Shanghai, February third:

"It was reliably reported early this morning that the Defense Council of the Settlement handed the Japanese late last evening a protest against their alleged independent military action within the Settlement.

The report adds that the municipal government of the Settlement communicated with the Japanese authorities demanding the restoration of the functions of the municipal government in the Hongkew district, where the Japanese military authorities have assumed control, superseding the authority of the Settlement and disclosing in that area all the normal functions of the Settlement including policing and the administration of justice".

For the Minister,

JS

PERKINS

FE

F/LS 793.94/3900

FEB 9 1932

Division of  
FAR EASTERN AFFAIRS  
Department of State

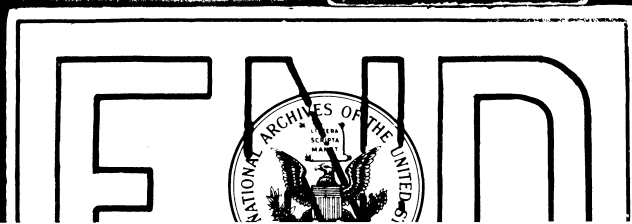
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