



# DELEGATION OF THE UNITED STATES OF AMERICA

London, England.

October 31, 1934.

My dear Mr. President:

As I indicated in cables yesterday to the Department, the Japanese here have definitely confirmed the decision of their government to denounce the Washington Treaty by the end of December.

In a long talk alone on Saturday with Matsudaira, with whom I went to play golf, and with whom I can talk very frankly, he told me that he deeply regretted that his government had felt compelled to make this decision, but that there was now no chance of changing it as they were already definitely committed at home to such a course. I gathered the impression that he had hoped to be able to change the decision but had been unable to do so.

He said he had wished not to complicate the situation by injecting this difficult question; that their desire in the present conversations was to bring about an understanding of their own situation, to avoid arousing ill feeling and suspicion, to try to establish a new

The Honorable Franklin D. Roosevelt, The White House, Washington.

basis for future limitation and at least to avoid, in so far as possible, any ill effects from the denunciation, because they have no desire nor intention nor, in fact, the ability to engage in a naval race.

I told him their recent campaign of publicity, about which I recently spoke to him would indicate that they were staging a run-out, or at least that they were not concerned about stirring up ill feeling. He said this publicity had been most ill advised and that after I spoke to him he had sent a very long cable to Tokio, which he was satisfied would result in preventing a repetition of such tactics. He intimated that this was done by the military authorities who had practically gotten out of hand.

I told him it seemed to me that the hostility of Japanese people to the Naval Treaties and to the inferior ratio, which they look upon as a stigma, was due to a misunderstanding and to a failure to explain to them that equal naval ratios do not necessarily give equal security and that, in fact, the 5-3 ratio, together with other collateral agreements, established relative equality in security. He said that was true but that the real cause of the hostility in Japan to the naval ratio originated in their resentment at the Immigration Act of our Congress, which they considered to be

a deliberate effort to brand them as an inferior race, and which they feel is reflected in the inferior naval ratio.

I told him that he must realize they were raising issues and making proposals which, if adhered to, would make agreement impossible and that I would appreciate it if he would tell me what their real objective is and where he thinks this will all lead. He intimated that they realized they could not get agreement on their proposals but that they hoped it might be possible to agree upon a modus vivendi which would prevent a naval race and any ill consequences, and which would enable us, with time and patience, to find a mutually satisfactory basis of agreement and cooperation. I asked him if he could envisage any possible new arrangement that would be mutually satisfactory, to take the place even temporarily of the existing treaties. He said that personally he was unable to do so but presumed that Tokio was working on this.

In substance he said that, regrettable as it was to him, he felt that the Government had been forced to the conclusion that it was better to get rid of treaties which had caused such national resentment; but that there was no desire to alter the status of the political agreements and bases upon which the present treaties rested. He indicated that, in effect, they would like to reach a diplomatic understanding which would avoid a naval race and prevent any effort on the part of anyone

to alter the real status established by those treaties.

It is certainly difficult to know just how to deal most effectively and wisely with the problems that confront us. The situation as I see it, insofar as it concerns the Japanese, is substantially as follows. Public opinion, and particularly the militarists in Japan, never fully approved the Washington Treaty of 1922 which they felt to be a curb on legitimate Japanese aspirations. The subsequent resentment over our Immigration Act helped put the militarists in control. The political element being unable to withstand the pressure of public opinion backed by the militarists, and even perhaps being more or less at heart in sympathy with their feelings, and with their ambitions, have been forced against their desire and better judgment, to surrender at least to the extent of agreeing to denounce the Washington Naval Treaty. It is possible, however, that the wiser political leaders, who feel compelled to acquiesce in this course, will endeavor to avoid any serious international repercussions and will seek to curb the power of the militarists by allowing them to destroy themselves.

The latter possible objective is indicated by the fact that the navy has been put in charge of difficult and highly complicated political negotiations, for which their experience and temperament do not fit them. The wiser Japanese statesmen may perhaps think that by de-

nouncing a treaty which has become an embodiment of international resentment, public opinion will calm down and that, after the realization comes that Japan has gained nothing and perhaps lost much by such action, it will be possible to put the militarists where they belong and then to take steps to repair the mistake that has been made.

The objective of the Japanese militarists is, of course, to get the United States and Great Britain to tie their hands, while that of the political leaders is to avoid ill feeling and real harm but at the same time to beat down Chinese resistance. Neither element wants trouble with either the British or ourselves.

It seems to me that, under the circumstances, our chief objective should be to have infinite patience and to apply the brakes so gradually as to avoid creating a state of mind that will tend to increase a tension. that might lead to war and, with that in view, to cooperate insofar as possible, with the British in standing for the principles and policies upon which the naval treaties were based. If England and the United States should take a common stand along that line, coupled with a joint statement athat, "having for thirteen years experienced the benefits of naval limitation and the equilibrium established thereby, it shall be their policy to adhere to the principle of naval equality as between themselves; and that they will avoid in every possible way the destruction of any existing peace machinery.

In this way not only could they make a very strong appeal for peace but their statement could be so worded as to imply that no nation which earnestly desires peace can afford to be the cause of destroying any of the machinery for peace.

I am not sure that the British would be prepared now to do this without an agreement with us that would in effect be an alliance, but they know that we will not enter into an alliance. They are, however, just as opposed to the Japanese demands as we are but they are more inclined to give and take than we are and there is a slight possibility that they might possibly be in favor of agreeing to what would be in effect some increase in the Japanese ratio. I casually told Simon, whom I saw at luncheon today, that I hoped they would not be tempted to make such a mistake and he was rather emphatic in his assurance that they would not do so.

I still do not believe that the small, but rather powerful element, that favors some kind of an agreement/ will not prevail.

So far as the British are concerned, they have behaved with us as satisfactorily as could be expected under the circumstances. All we can do at present is to try to be as patient and as wise as possible, not to do or say anything to further inflame public opinion in Japan but, at the same time, to avoid giving the impression that our rights and interests can be violated with impunity.

MacDonald and Simon expressed themselves firmly of

the belief that if we will be patient but fair and firm with the Japanese, and ask them constantly to consider the consequences of their refusal to continue to cooperate on the basis of the existing treaties, they will begin to change their point of view.

With warmest personal regards, I am,

Faithfully yours,

NHD: EH

PSF. London Naval Conference

### DELEGATION OF THE UNITED STATES OF AMERICA

London, November 6, 1934.

Dear Mr. President:

The net result of the naval conversations and manoeuvers to date is about as follows:-

The British, preoccupied as they are with the European situation, had hoped to avoid or postpone coming to grips with the issues raised by the Japanese. They had evidently hoped also that we might take the initiative, or show more inclination than we have here-tofore, to enter into some agreement with them that would make them feel justified in taking a firm stand against the Japanese demands for a change in the present status. They have, however, been practically forced by the nature of the Japanese proposals and the public manner of their presentation, to take a definite stand.

When we got here there was a sentiment in certain quarters in favor of making some kind of a deal with Japan as the best means of keeping Japan in bounds, and also a feeling that Great Britain might, at any rate, play the role of mediator. However, the Japanese proposals, made public by Yamamoto, have been looked upon as so unreasonable and unjustifiable as to force the British government to take a definite stand and to realize that it could not honestly or usefully act as mediator. Furthermore, the idea of a separate deal with Japan has diminished, not because of any increase in friendly sentiment towards the United States,

The Honorable

Franklin D. Roosevelt,

Washington, D. C.

but because of doubt of the Japanese themselves as suddenly augmented by the recent action of the Japanese with regard to cil in Manchukuo. The only argument the government members still favoring some sort of a rapprochement with Japan can offer is the belief that, after Japan has obtained this indefensible position for treaty abrogation, she will be disposed, if not pushed too hard, to agree to a naval compromise which England can accept.

There is a strong element in Farliament that does not favor any deal with the United States and it is this same group that is advocating some gesture towards Japan. I am persuaded, however, that the major influence in the Cabinet is definitely opposed to any deal with Japan that would be misinterpreted by the United States and that, after all, might not be lived up to by Japan. This hostility in Parliament towards the United States is one of screness, which began during the Economic Conference and which has reached full expression as a result of the Johnson Resolution, which they look upon as a deliberate slap by the Administration to Great Britain, which was at least paying something, as a worse defaulter than France which had paid nothing on the debt.

While the British still wish to be as conciliatory as possible with Japan, and avoid an absolute impasse, it is still my belief that, whenever they feel the situation demands the choice between standing with us on basic principles or of trying to conciliate Japan in such a way as to alienate us, they will choose the former.

The British press have for the past few days been reflecting this attitude very definitely. I

am enclosing an article by Garvin in Sunday's Observor, which I understand has attracted considerable attention, and more especially an article by Sir Walter Layton in the Economist of the 3rd.

Unless there is some new move it is difficult to see how we can now proceed much further with the conversations. The Japanese are now telling their press that, having presented their views fully to both of us, they will not make another move for the present and that the next move is up to the British.

Since the Japanese now find that they can not get agreement for fundamental alterations in the Washington Treaty, and since they have gone so far in their proposals as to make it difficult, if not impossible, to recede from their position, they may decide at the forthcoming meeting of the Cabinet, in consultation with the Emperor, to give, without further delay, notice of the termination of the Washington Treaty. Under the terms of that Treaty, their notice would be given officially to our Government and within one year thereafter the five Powers parties to the Treaty must meet in conference. This would change the basis and purpose of a conference in 1935, from that now contemplated. Instead of a conference to be held under the London Treaty to negotiate a renewal thereof, it would be necessary to meet under the provisions of the Washington Treaty. I feel, therefore, that you should have in mind that, with the denunciation of the Washington Treaty by Japan, you may have to decide, under the terms of the Washington Treaty, to summon a conference for next year.

It is possible that, once Japan has given notice of termination of the Washington Treaty, her pub-

lic opinion will calm down; and when she sees that the other four powers, parties to the Washington Treaty, are in favor of its continuance, Japan might be able and willing to accept a face saving formula for the maintenance of the present basis of naval limitation. At any rate, I think we should give some consideration to the advisability of inviting the other three powers, parties to the Washington Treaty, to confer with a view of determining whether the four remaining parties to the Washington Treaty should not continue to abide by its terms and to receive its benefits, with some elastic provision to be operative in case Japan, once outside the Treaty, starts to increase its navy.

The Japanese proposal for a fundamental change in the basis of the Washington and London Treaties, is due, of course, to a fundamental change in their foreign policy. The Japanese government that signed the treaty in 1922 had a peace policy, whereas the predominant element in Japan today has a war policy. In 1922 they were prepared to cooperate with other powers with interests in the Pacific and in China. Today they want to act independently and in disregard of the treaty rights and interests of other powers. The whole crux of the problem, therefore, will be whether Japan can be induced to cooperate for the promotion of peace; or whether she will go alone in the opposite direction.

There is a strong element in England today who feel that, if Japan is not coerced she will ultimately come back to a more same attitude towards international relations. The more balanced minds in the British Cabinet still entertain some hope that, if no attempt is made to single out Japan for denunciation but, rather, a world program is pursued, from which she has voluntarily

withdrawn, she will return at a later date of her own free will.

As indicated in my previous letter, I think it most important for us not to say or do anything to inflame Japanese public opinion, and particularly not to make any threats. I also think it desirable that we stress the question of cooperation and peace, and that the press begin to sound the note that, if Japan's intentions are peaceful, it is impossible to understand why she would wish to destroy a substantial peace machinery which was set up under the Washington Treaty, and which has proven to be beneficial to all and detrimental to none.

with warmest personal regards, a am, Faithfully yours,

theman H. Denny

P.S. In spite of the present screness of a certain group of Tories in Parliament, and their resentment over the Johnson Resolution, I am satisfied that even that group would not favor, in case of a show down, departing from what has become a cardinal policy of Great Britain, namely to cooperate as closely as possible with us, or at least to do nothing that would definitely alienate us.

PSF: Indularal 66.

### PRIVATE AND GONFIDERTIAL

November 9, 1934.

Dear Norman: -

I find yours of October thirty-first on my return from Hyde Park after election. Your golf game with Matsudaira must have been exceptionally interesting. The latest news by cable seems no more encouraging.

I hope you will keep two definite considerations always in mind. First, that Simon and a few other Tories must be constantly impressed with the simple fact that if Great Britain is even suspected of preferring to play with Japan to playing with us, I shall be compelled, in the interest of American security, to approach public sentiment in Canada, Australia, New Zealand and South Africa in a definite effort to make these Dominions understand clearly that their future security is linked with us in the United States. You will best know how to inject this thought into the minds of Simon, Chamberlain, Baldwin and MacDonald in the most diplomatic way.

The second point is that I get increasing information that Japan cannot stand the cost of a Naval race.

By the way, that continued reference to the Immigration Act is, in my judgment, nothing more or less than a smoke screen -- whether it be laid by Japanese militarists or by Japanese Ambassadors. If the worst comes to the worst and Japan in effect walks out on the three party conference, I am inclined to go along with your thought at the bottom of Page #5, that England and the United States should join in a statement. As a matter of practical fact, in such a case we could easily agree with the British by some form of dovetailing categories so that they would have more light cruisers and we more battleship strength or something along that line.

It is unthinkable that the British would go along with even a slight Japanese increase. It would mean a further increase five years from now. You will remember that 1930 did give Japan an increase over 1922.

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Always sincerely,

Honorable Norman H. Davis, American Embassy, London, England.

When is Conference

THE UNDER SECRETARY OF STATE WASHINGTON

November 9, 1934.

Dear Mr. President:

Thank you for letting me see your letter to Norman Davis. I should certainly send it just as it is. It may be that the situation will develop in London next week which will make it desirable to telegraph him the text, as the letter cannot arrive for another ten days. I do not, however, recommend that course at present because we must assume that the British decipher everything that we send by code.

With regard to your second point, Stanley Hornbeck has always expressed the views that the Japanese have means at their di sposal

The President

The White House.

disposal to stand the cost of a naval race over a considerable period of time, but we need a good deal more information on this point before we can be certain.

I enclose a telegram from Davis, just received. John will see that the British have four the a new proposeting of the Japanese.

William Thelift

Carbon of copy sent to Under Sec. of State - 71 ov. 16, 19 3 4 (Sent)

### COPY OF PRESIDENT'S LETTER TO NORMAN DAVIS

### PRIVATE AND CONFIDENTIAL

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I am glad you are patient. I would be much out of place in such a conference!

Always sincerely,

Honorable Norman H. Davis, American Embassy, London, England.

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## PARITY OR ASCENDENCY P

RITAIN, AMERICA, AND THEIR BASES.

LOOKING FACTS IN THE FACE.

### (By J. L. GARVIN.)

meaning of the present issues between the British, American, and Japanes Governments. For any and Japanes Governments, For all the property of the property of

The negotiations have come to a seeming deadlock on certain main matters of principle. Not yet must the hitch be thought togeless, tight as it now seems. The informal Conference—for it is nothing less-remains in being. Discussions may drag their slow length along for weeks to come. It is not quite impossible that a provisional solution may be reached. But the gravity of the actual situation ought not to be disguised by fumbling verbiage.

### I. "DIVIDE AND RULE"-LURE AND FALLACY.

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### THE TWO SIDES OF THE PACIFIC-A STARTLING CHANGE,

Last week ADMERAL YAMAMOTO and his colleagues continued their oral expositions of views which it is understood have not yet been reduced to schedules and specifications. The Japanese delegates seek to draw once more the familiar contrast between "offensive" and "defensive" categories.

Every Power is apt to call "offensive" the arms most effective against itself; and to call "defensive" those especially suited to its own advantage. When these terms are used at all, naval diplomacy soon becomes a game of "Heads I win; tails you lose." We need not discuss here the line logical distinctions between different types, regards aircraft-carriers as aggressive vessels and would like to see them abolished. But in the name of defence she would retain and multiply submarines, which both Britain and America are bound to regard not only as a peculiarly "offensive arm, but as a virulently destructive enemy of commerce.

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Were the spirit and method of the Washington Treaty annulled in the near future.
Pressuent Roostrutar and the American
people, we believe, would not shrink from
naval and aeronautical construction on a
scale which no other country could hope
to rival or approach. Devoutly we may
trust that matters will not be forced to
that pass by unmodified insistence on the
part of the Japanese. After all, they have
flourished and expanded mightily under
the conditions of that very Washington
Treaty which they are now so strongly led
to undervalue and resent.

## FRONTIERS ON ALL OCEANS.

FRONTIERS ON ALL OCEANS.

British statesmanship desires in deep carriest to protong the existing Favori adjustment—with some essential modifications of detail—and to avoid the sinister alternative of maritime competition with Japan. But we must face all the truths.

We have gone to our uttermost limit in one respect. As little as America can we consent to any further relative weakening of our naval position and formally bind ourselves not to improve it. Since the date of the Washington Treaty, the problem of Imperial defence has been revolutionised both in its nearer and its farther conditions. As drawal preparations can say more avail by themselves to provide this country with securities for existence equal to those possessed by some of our neighbours. Did we remain without an adequate Air Force and without those reserves for operation and manufacture which only a full development of British civil avisation can provide, no feet could guarantee the country against swift and unexampled destruction. Yet for our vital supplies at home, which no Air Force by itself can ensure, and for keeping open throughout the world's seas, the efficiency and sufficiency of the Navy remain as indispensable as at any time before. We said that the United States, unlike Japan, must look to two main fronts on two main oceans. The British Empire has its coasts on every ocean and exists by their unbroken shipping connections. The increased Japanese cialms raise very evident considerations to the trade-routes through the lands of Cean from India itself, as from Malaya, Australia, and New Zealand, and even from South Africa.

### VI.

### "NEITHER RACE-ANIMUS NOR COLOUR-PREJUDICE."

The outstanding moral is that if at the end of the negotiations now opened in London there should be found to be no possibility of another agreement between Three, there will have to be an agreement between Two. That is, between America and Britain. Or in the long run it will be worse for the English-speaking world.

In any case, a new understanding is re-

In any case, a new understanding is required between the two English-speaking Powers. More absolutely then ever before, the contingency of strife between them is excluded by the stern and growing necessitions. Too plain is the possible

### "DIVIDE AND RULE"-LURE AND FALLACY.

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The pressure of domestic policy has left Paramers Roosever little chance of devoting his full energy to foreign affairs. But no President since the time of his renowned namesake has had the due interests of the American Navy more deeply at heart, much as he has desired disarmament or at least continued limitation. Every careful student of opinion in the United States knows it to be inconceivable that the American people can admit the terms so far put forward by Tokyo.

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THE SECRETARY TO SANDEN

November 20, 1934.

Memorandum for the President from the Secretary of State.

Mr. Phillips and I have read the attached letter from Norman Davis with a great deal of interest.

C.H.

## THE WHITE HOUSE WASHINGTON

November 15, 1934.

MEMORANDUM FOR

THE SECRETARY OF STATE
THE UNDER SECRETARY OF STATE

WILL YOU READ AND RETURN?



F. D. R.

DELEGATION OF THE UNITED STATES OF AMERICA

naval Conference

London, October 23, 1934.

Dear Mr. President:

Enclosed you will find a cartoon by Low. which I am sure you will find amusing. I am also enclosing the leading editorial in the Times today, on the naval conversations. This was evidently inspired by the British Government and shows the tack they are taking at present. We can not tell, however, for some days yet just which way the wind is blowing.

Simon told me that he would be quite surprised if the Japanese seriously intended to denounce the Washington Treaty and that he did not believe they would do so unless they were unable to get at least a face saving agreement for a renewal of the existing Treaties.

So far we have had only perfunctory exchanges of visits with the Japanese, but we will probably get down to business with them tomorrow, after which we can tell better whether they will be satisfied with minor changes or whether they are determined to

The Honorable

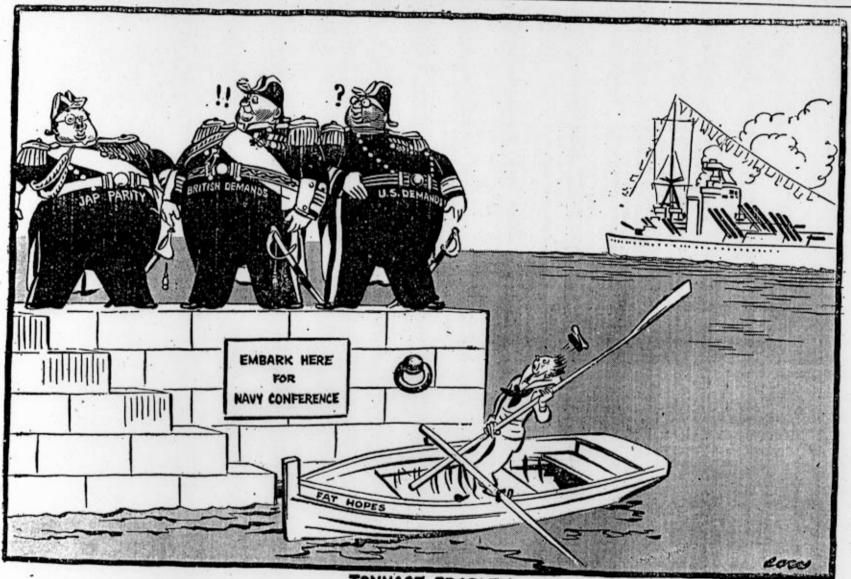
Franklin D. Roosevelt,

Washington, D. C.

alter fundamentals. If it is the latter then it is not a naval question but a purely political one which will confront us. I hope that we will know within a few days.

> With warm personal regards, I am, Faithfully yours,

NHD: EH



TONNAGE PROBLEM

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The Japanese spokesmen in Tokyo and in London have quite clearly announced that they will not accept the ratio of three to the five of Great Britain and U.S.A., which has held good for all these years. Their refusal of itself completely upsets the Washington Treaty. Nothing apparently can keep the Washington Treaty in being except a complete Anglo-American acceptance of the Japanese claims. There is no desire to disturb the basis of the Treaty except in Japan. On the other hand Japan's reluctance to accept a formally inferior position to any other country is fully realized here; and there should be some means of combining the principle of the equality of all with an undertaking not to build more than a certain tonnage for a definite period of years. When ADMIRAL YAMAMOTO said that the right of equality in regard to naval defence formed the basis of Japan's proposals he added that no actual figures which would ensure that equality had yet been put forward. There is clearly still scope for adjustment. In any case neither technical figures more political issues come into discussion at present. The full Conference will take them up; and other countries will then be present. The purpose of the preliminary talks is to make it possible for the Conference to be held.

### NAVAL CONVERSATIONS

The first informal contacts between the American and Japanese naval delegations, and between them and the British Government, having been made last week, the bilateral conversations of last summer will be resumed to-day with a meeting between the British and Japanese delegations, over which the PRIME MINISTER will preside. Mr. MacDonald had full opportunity in June of exchanging views with Mr. NORMAN DAVIS, and he will no doubt be meeting him again. In the meantime it becomes important to learn officially the proposals of the Japanese delegation, which has unofficially allowed its views to be pretty generally known. REAR-ADMIRAL YAMAMOTO arrived in London a week ago and lost no time in putting the Japanese case before the public. He admits that his proposals form a departure from the ratio of strengths which were the basis of the Washington Treaty. The ratio system is regarded by his Government as discriminatory. Japan has in fact committed herself to a refusal to accept a lower maximum standard of strength than other countries. The American Government has given no indication that it is ready to confer on any other basis than the relative strengths accepted at Washington and London; and therefore the utmost discretion and good will are necessary to secure even a starting-point for the Conference which is due to be held next year. It would be folly for any Government to take up a completely rigid attitude at the outset of these conversations, since all three are sincerely desirous of reaching a limitation agreement; and it may be supposed that the British Government will not be likely to insist too strongly on the form of the ratio so long as in practice relative programmes suitable to the defence needs of each country can be arranged and maintained for a period of years. The immediate purpose of the preliminary conversations is to find a basis on which to meet in conference. It is as necessary as it is difficult to decide whether every hypothesis can be entertained at the Conference itself without irretrievably prejudicing the prospect of signing another Treaty.

It is common ground that the requirements of national defence must govern the relative strengths of each country; but argument from the general to the particular is less satisfactory in regard to naval even than in the case of military armaments. It is at least possible to argue that for the crossing of a defended frontier certain weapons are of far greater efficacy than others; and the fear of invasion might be largely

exorcized by their suppression. But is the distinction as easily applicable to naval weapons? The Japanese delegates will apparently propose the curtailment of "offensive" armaments at sea. But the biggest ships are not those which are first used in attack, and the destruction of enemy commerce is the special task of submarines, which Japan wishes to retain. It might, however, be possible at least to restrict the size of the submarine, so as to eliminate the largest ocean-going types; and a reduction of total tonnage and individual dimensions of ships is one of the Japanese proposals. From the American Administration has come the suggestion that there might be a twenty per cent. reduction in naval forces-presumably in total tonnage and in the number of ships, but not, certainly, in the size of ships. Here it may be observed that a twenty per cent, reduction in the number of cruisers is a proposition which could hardly be supposed to be acceptable to British public opinion. Each country must have a minimum level of safety in armaments; and the protection of the trade-routes of the Empire demands more cruisers than Great Britain has got or will have in two years' time. The factor of relative strength can never be wholly left out; but absolute needs are the final test. For the sake of agreement this country made great sacrifices both at Washington and in London. It accepted a ratio of equality with the United States, although the protective duties of our Imperial sea-routes have no parallel elsewhere and the population depends for its life upon oversea supplies. ADMIRAL YAMAMOTO said the other day that he regarded the British Empire as a unit for naval purposes. If his own formula of defensive needs were applied there could then be little doubt which party to the

Treaty was entitled to possess the biggest navy. It would be profoundly regrettable if the benefits of the noble experiment tried thirteen years ago, which has so signally proved its practical and moral value, were now to be lost. The limitation of armaments has been so well worth while, both psychologically and measured in benefit to the taxpayer, that some sacrifice is as well justified as it is necessary for the sake of further agreement. It has been indicated in Tokyo, as reported by our Correspondent this morning, that the abrogation of the Washington Treaty by Japan will depend on the reception of her proposals by the British and American delegations. This, to say the least of it, is a one-sided way of stating the position.

RECEIVED DEPARTMENT OF STATE THE UNDER SECRETARY OF S

London naval Conf

October 25, 1934

Dear Mr. President:

May I bring to your attention the enclosed two strictly confidential telegrams from Mr. Davis, reporting his meetings with the Japanese Delegation yesterday and with the British today.

Secretary Hull has sent me from Pinehurst a memorandum containing his views on the situation which, with your approval, I am planning to send forward in the form as drafted and enclosed.

Faithfully yours,

1. 0.

The President,

The White House.

mos 6 + 9 mugat

0

PSF: London Naval Conference

BC
This telegram must be closely paraphrasod before being communicated to anyone (B)

London
Dated November 9,1934.
Received 3:31 PM

Secretary of State, Washington.

266 November 9, 6 p.m.

Yesterday Craigic called to inform us about the meeting with the Japanese on the previous day. In substance the British had stated that the idea of a common upper level was unacceptable to them for the reasons that they had already outlined to the Japanese. They desired, however, to give Japan such comfort in regard to prestige as might be practical and to this end had been thinking that a possible solution might be worked out somewhat as follows: There should be a formula recognizing the equality of status of the contracting powers. This formula would add, however, that because of their difference in noods each nation would not consider it necessary to build up to the point to which the other or others might have reached and the fact that they might not have built up was by no means to be considered as a denial of the right of parity. This formula should be followed by a "voluntary" declaration whereby each nation after agreement with the others sots forth its building program which should be

a contractual

### Pago 2 from London No 26

a contractual obligation as a part of the treaty.

In order to make it doubly certain that any referonce to the building program should be of a contractual
nature I recalled to Craigic the fact that in my recent
conversation with Simon (see my 24, November 6, 9 p.m.)
I had insisted upon the fact that a contractual agreement
on building programs was indispensable and that there
should be no change in the relative strength if the
agreement was to have any value.

In reply to a question as to whether it was true, as reported in the press, that the British had also discussed with the Japanese a rearrangement of categories in order more effectively to hide the ratio, Craigic replied that they had not discussed this.

Craigie explained that Yamamoto had subsequently called on the First Sea Lord. While Craigie had not seen the minutes of the meeting, he understood that Yamamoto has merely desired to clear up certain points of the British suggestion in regard to which he had been in doubt and had given the First Sea Lord to understand that the proposals were unacceptable to the Japanese.

DAVIS

# THE ECONOMIST

Vol. CXIX

November 3, 1934

SATURDAY, NOVEMBER 3, 1934

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(With this issue appears a Special Supplement: " Empire Trade Before and After Ottawa")

## THE RIDDLE OF THE FAR EAST

The Pacific and the Far East have this week stepped to the front of the stage. Uneasiness about the naval conversations which are taking place in London, and the unpleasantness of the oil controversy which has been brought to a head simultaneously, by Japanese action, both in Japan and in "Manchukuo," have been the chief factors in this reawakened interest. Merely in themselves, and at their present stage of development, these several transactions are uncomfortable enough. They assume a still graver aspect when we take into account, as we must, their background and latent possibilities.

What is at issue, under the surface, is the three-cornered relation between Japan, the United States and the United Kingdom in world politics. The present policy of Japan—or, rather, of the militant elements now in power in Japan—is clear. It is their intention, by a series of encroachments, to increase their naval power in the world, their military power in the Far East, and their political and economic control on the Asiatic Continent—in Manchuria in the first instance, but also in the rest of China as the occasion presents itself. Their tactics consist of springing acts of aggression upon their neighbours in doses, and at intervals, which are nicely calculated to give these neighbours the largest shock that they will stand without resorting to active resistance. These tactics are as hazardous as the policy itself is anti-social; but the Japanese apparently calculate that there is a sufficient division of counsels, both within and between the United States and the United King—

dom, to assure Japan of the requisite margin of safety.

In America the Japanese are counting on a mood which, under stress of the economic crisis at home, is eager to avoid foreign complications at almost any price, and is disposed to make a modest estimate of American interests in the Far East. The bulk of the non-Japanese trade in the Far East is not American, but British; the bulk of the non-Japanese territorial possessions in the Western Pacific are not American, but British and Dutch. If America really intends to withdraw politically from the Philippines and to concentrate her economic activities within a self-contained national unit, why should she want to pull the chestnuts out of the fire on the other side of the Atlantic? These may be genuine American feelings. But when a Japanese spokesman at the Japanese Embassy in Washington draws, for the benefit of American journalists, the specious inference that in that case America

needs no five-to-three naval ratio, and perhaps no navy at all, the American reaction is all the other way. Indeed, it seems probable that the United States will insist on retaining the present ratio by competitive building, if she cannot retain it by an agreed perpetuation of the Washington and London Naval Treaties. It is also possible that American opinion may not be willing to allow Japan, unchallenged, to establish that Monroe Doctrine, throughout the Far East, which is the present Japanese Government's semi-officially admitted objective.

This brings us to the question of British policy, which may well prove decisive—not only for the outcome of this Japanese-American controversy, but also for the fate of the British Empire.

As regards the relations between the United Kingdom and the United States, it is unquestionable that public opinion in this country is convinced that the maintenance, not of "correct relations," but of cordial friendship and mutual confidence between the two English-speaking Powers should be one of the cardinal points in British policy—and this in our own selfish national interest, just as much as in the greater public interest of the peace of the world. On the other hand, there are certain small but influential English minorities which are as unfriendly towards the United States as they are complacent towards Japan. In British naval circles, for instance, there seems to be a school which feels towards the Japanese Navy all the indulgence of a fond parent for an obstreperous child, while it cannot forgive the American admirals for having obtained, through "parity," the privilege of having as big a toy to play with as our British admirals.

Again, there are British business interests in the Far East which resent the "intrusion" of the Americans as unwelcome competitors, while they apparently hope to save some of their own business from the more formidable impact of Japanese competition by a timely deal—without inquiring too closely whether the contemplated Anglo-Japanese bargain may not be at other people's (e.g. China's) expense. To speak plainly, these minority interests in this country seem to be casting the British people for the rôle of white-faced jackal to a tawny Japanese lion. The rôle is so humiliating, as well as destructive of fundamental British interests, that we are confident that this country will never accept it.

Unfortunately the words and acts of the F.B.I. mission to Japan and "Manchukuo" have already created a good deal of misgiving. In a despatch telegraphed from Washington last Saturday, the correspondent of The Times reports the currency, in the United States, of a rumour that the mission has come away from "Manchukuo" with an order for £8,000,000 worth of "railway and steel equipment," and he mentions the further rumour that there is to be a new Anglo-Japanese alliance, or, at any rate, an Anglo-Japanese understanding which would protect the commercial interests of Great Britain in the Yangtse Valley and elsewhere—in exchange, we may suppose, for British recognition of Japan's de facto mastery over Manchuria. There is a more sensational story that the business picked up by the mission in Japan includes orders for warships. Such stories are given colour by a statement, attributed to Sir Charles Seligman in an interview with the Osaka Mainichi, that "practically every thinking Briton is in favour of reviving the Anglo-Japanese alliance," and also by the opinion, which is attributed to the members of the mission by The Times correspondent in Tokyo, "that the Manchurian door is effectively open for trading, and that they have been impressed by the quantity of foreign goods already being accepted there on a price and merit basis." This sounds very fine; but what will the oilmen say? They must have been surprised to hear this just a week after they themselves had been summoned by the Monopoly Bureau of the Finance Ministry of the "Manchukuo" Government in order to be told that their own business in Manchuria is to be killed by the setting up of a "Manchukuo" oil monopoly.

"Manchukuo" oil monopoly.

This monopoly is plainly incompatible with the terms of Article 3 of the Washington Nine-Power Treaty on "principles and policies to be followed in matters concerning China." The nine Powers, of whom Japan is one, have here bound themselves" not to seek or support their respective nationals in seeking" either economic privileges or economic monopolies in the whole of China or in any part of it. Yet the new "Manchurian Petroleum Company," on which the "Manchukuo" monopoly is to be conferred, is to be financed with Japanese capital, public or private. The Japanese Government seems to have replied to the protests that have been made separately, on behalf of their respective oilmen, by the British, Dutch and American Governments, that they cannot control the business operations of their own capitalists, or, alternatively, that this is not really a monopoly, or, alternatively again, that Manchuria is no longer a part of China. We may reflect that solemn public assurances of the maintenance of the open door in Manchuria have been given, nine times, in the name of either the Japanese or the "Manchukuo" Government; and we may also remind ourselves that one of these answers was given to the British Government on an occasion when it ostentatiously confined its inquiry to the single question of the open door, instead of extending it, as had been done in an antecedent inquiry from the American Government, to the greater question of the independence and integrity of China.

of China.

Meanwhile, another, and much bigger, oil question has been raised simultaneously by the implementation of a Japanese law, passed last March, which hits the foreign oil interests in their business in Japan itself. The new law requires them to set up, at their own expense, additional storage plant in Japan (sufficient for holding a six months' supply) and also to set up refineries on Japanese soil. The same law empowers the Japanese Government to fix sale prices and to determine the quotas of oil imports to be allotted annually to any given company. In other words, the foreign companies are to be forced into a great new capital outlay without any assurance that they will in future be allowed to make any profit even on their existing outlay. In putting them under this pressure, the Japanese Government doubtless counts upon the value of their existing installations in Japan as a hostage. But what will the oilmen's respective Governments say? Are American, Dutch and British oil companies really to pay through the nose in order to provide facilities for the Japanese Navy to operate against the Philippines or Netherlands Indies or British Malaya in the event of war?

The Japanese are doggedly pursuing their chosen path; but what is our line to be? Scavenging in the new lion's tracks? Or solidarity with the United States?

### EMPIRE TRADE

It is extremely difficult to perceive any harmony between the Government's many voices on the theme of Britain's economic policy; and the listener may be pardoned if he concludes that the Cabinet has not agreed what tune to sing. Thus, Mr Elliot makes it evident both by word and deed that the competition of Empire countries with British agriculture is an embarrassment to him, and apparently he is only waiting until our hands are free to modify the Ottawa Agreements. In other quarters of the Conservative Party there are definite indications of a readiness to pursue the policy of autarky to its logical conclusion. But though these may be significant signs of the times, we cannot, as yet, regard them as representing the bulk of opinion in the Party. We must, therefore, assume that it remains the intention of the dominant partner in the Government to foster international trade so far as it is consistent with moderate protection, and to concentrate in particular on the development of intra-imperial trade in the spirit of the Ottawa Agreements.

Ottawa Agreements.

If this is a correct surmise of the Government's objective, it is clearly important to watch as closely as possible the course of British imperial trade under the preferential system that now obtains, to try to form some opinion of the possibilities of further expansion, and to see what steps can be taken to prevent the bias that is being given to British overseas commerce from prejudicing the important trade with foreign countries that remains to us. It is still early to answer these and many similar questions; but the Agreements are now two years old and the first results have begun to show themselves. In a Supplement which we publish with this issue of the Economist, Sir George Schuster has brought together from various sources a mass of statistics from all parts of the Empire, analysed them in a spirit of great objectivity, and presented a picture from which already certain conclusions may be drawn.

Sir George Schuster's method has been designed to compare a completed year of post-Ottawa trade with conditions obtaining in three previous periods—namely, the last pre-war year, the period of comparative prosperity in the later '20's, and the year of deepest depression preceding the Ottawa Agreements, i.e. 1931.

The first point that emerges is that the intra-imperial trade both of the United Kingdom and of the countries of the Empire was in 1933 a larger proportion of their total trade than in 1931; and that in most cases, though not in all, this intra-imperial trade had increased in total value. This change in the proportion of intra-imperial to other trade cannot, of course, be solely attributed to the Ottawa Agreements. All the countries of the Empire are off the gold standard, and most of them are more or less linked to sterling. Again, the Empire has been free from political disturbance and has eschewed the more extreme forms of trade interference, while intra-imperial debts have been to a large extent converted and are being honoured. All these factors have fostered intra-imperial trade. They cannot, of course, be disentangled and measured quantitatively in isolation, but they must all be borne in mind in reading Sir George Schuster's analysis. It must, however, be obvious that the Ottawa preferences have played an important part in bringing about the "shift" to which we have referred.

Secondly, this "shift" from foreign to intra-imperial trade is much more marked in the case of Britain's purchases from the Empire than in the case of the Empire's purchases from Britain, or of the trade between the Dominions themselves. In other words, when this country imposed an all-round tariff, but left our imports from the Empire on the free list, it afforded the Empire a much greater opportunity of gaining trade at the expense of foreign countries than Great Britain has ever obtained from the Dominions, either under the Ottawa Agreements or under the pre-Ottawa preferences.

Thirdly, looking at the picture from the Dominions' point of view, the outstanding fact of the last two decades has been the great growth of their trade—both import and export—with non-Empire countries. When the depression came, Dominion sales to foreign countries were very severely hit; but, thanks mainly to the stability of the

THE WHITE HOUSE

name en ce Conference (S) fondon

COMPONENT

November 14th, 1934

### MEMORANDUM FOR

### THE SECRETARY OF STATE

Davis' No. 32 of November 13th - 10 P.M. It seems that matters may come to a head shortly requiring us to take a position as a result of Japanese intention to denounce the Treaty in December.

I think it might be a good idea to telegraph Davis that in the event the conferences break up he should consider:

- (a) Giving out my original letter of instructions to him and Admiral Standley.
- (b) Seeking at least a gentleman's agreement from the Japanese and the British that they will lay down no ships over and above the numbers provided in existing Washington and London Treaties until after the actual expiration date of those Treaties.
- some kind of definite agreement

THE WHITE HOUSE WASHINGTON

-2-

that after the Washington and London Treaties completely terminate none of the three nations will lay down any ship without formal notice to the other nations — this to apply to any and all yessels of more than five hundred tons and to all subsarines of any tonnage.

I an suggesting this with the belief that full publicity of construction will be conducive to some future limitation and also that it will perhaps make unnecessary the expenditures of large sums for Naval Intelligence purposes.

DEPARTMENT OF STATE

THE SECRETARY

November 19, 1934.

Important for the President.

PSF: London Naval Conf.

REP

#### TELEGRAM SENT

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

November 17, 1934. 3 p. m.

AMDELGAT

LONDON (ENGLAND)

25

CONFIDENTIAL

PERSONAL FOR NORMAN DAVIS FROM THE SECRETARY.

Your 41, November 16, 9 p. m., and all previous.

The following may help in showing you the way our minds have been running here.

A review of the conversations to date convinces us that a definite and obvious common alignment of British and American viewpoints as a symbol of coincidence of view between them on the subject of naval limitation—which is the subject for consideration in these conversations—and of future cooperation between them offers greater promise of eventual success than any current search for a formula to salvage portions of the existing naval treaties. A termination of the present conversations on the clear cut basis of a Japanese denunciation of the treaty and their insistence that they are not repeat not able to agree to a prolongation

2-#25, To London, Nov. 17, 3 p.m.

of the present system of limitations embodied in the treaties, and effected without a counterbalancing gain to them in the form of new commitments either by the British or by us or by both, would contribute toward convincing the Japanese leaders and people that their militarists who had dictated the policy of denunciation of the Washington Treaty had had their way in that particular but had failed to achieve in the place of the Treaty any diplomatic gain. It would also give new evidence that Japan's official views and course of action are out of line with the views and objectives of the two most powerful of the great Powers among and with whom they aspire to be ranked and associated. If this were followed by prompt concrete indication of the definite intent to build to full treaty strength by the United States and Great Britain, we feel that the moment might arrive soon when Japanese apprehensions would lead them to take a new initiative by themselves proposing further consideration of naval disarmament, in which event the advantage in the ensuing conversations would lie with the Governments which really desire disarmament. Matsudaira's statement to you of recent date seems to be in line with this conjecture and to give support to our estimate of possible

3-#25, To London, Nov. 17, 3 p. m.

possible developments after the termination of the present conversations.

A continuation on the part of the British to endeavor to play the role of middle man will only result in increasing suspicion and resentment here. If it should further lead to any bilateral agreement or compromise agreement which would encourage the Japanese to believe that they had driven an effective wedge between the British and the United States, it would make them more self-confident than ever and would probably encourage them to embark upon new courses of aggression in the Far East which if pursued would be as menacing to British interests as to American and would make more complicated and dangerous the whole situation in the Far East.

The course thus seems clear for us to expend our best efforts to bring about an early open and conclusive indication of alignment between the British and ourselves. The making of any new tripartite agreement at this time, on the heels of or coincident with Japanese denunciation of the treaty and destruction of commitment to the present ratios -- for which we and the British have stood -- would have the same effect but in greater degree.

4-#25, To London, Nov. 17, 3 p.m.

We believe that the present conversation should not repeat not be permitted to develop into a negotiation.

We do not repeat not accept the view that termination of these conversations now or before December first need result in necessity for us to call a conference. See for information and guidance our 22, November 15, 6 p. m.

Please expound, as on your own responsibility and avoiding anything suggestive of a desire on our part to bring the conversations abruptly to an end, the above line of thought.

More definite instruction as to our position in the light of your 41, November 16, 9 p. m., will be sent you as soon as possible.

HULL

FE:STH/REK/DLY

MCG TELEGRAM SENT
This telegram must be
closely paraphrased before being communicated to
anyone. C

November 17, 1934.

4 p.m.

AMDELGAT

LONDON (ENGLAND)

26

Confidential.

Further comments on your 41. If we understand you rightly, the substance of your recommendation is that rather than assume responsibility for permitting the conversations to be terminated, we should be willing to enter at this stage upon what amounts to the regotiation of a new treaty to replace the Washington and London Treatics. In other words, adoption thereof would mean that we accepted at this stage the Japanese contention that the ratios and principles embodied in the existing treatics should be scrapped and that merely for the sake of "keeping the Japanese bound by an agreement" we would undertake to explore the possibilities of a new agreement based on other principles. We do not feel that this is within the scope of the present conversations nor do we feel that its probable naval or political consequences would ease the situation in the Far East. We are con-

vinced

# Page 2 # 26 to London

vinced that the best chance of ultimately negotiating a successful agreement would lie inletting the Japanese return home emptyhanded, without any new naval agreement or any political agreement. Any Anglo-Japanese agreement no matter how negative in form, would be used by the Japanese all over China as an indication of the resumption of an Anglo-Japanese partnership.

Press indications lead us to the belief that the Japanese delegation is going to reject the British proposal for face-saving device without the granting of actual parity. This would presumably dispose of the "middle course" plan, of which that is an essential feature, and by the Japanese themselves.

You will note that we have expressed our objection to this middle course on the broader grounds of political strategy and feel that you should lose no occasion to drive the points outlined home to the British. From a more technical point of view, we believe that a treaty which did not contain a statement of building programs in contractual form maintaining present ratios would not be acceptable to this country, and a treaty on naval building containing qualitative but not quantitative restrictions would seem an evasion of the essence of naval limitation.

HULL

JS

4 . 4 4

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

AMDELGAT

LONDON (ENGLAND)

27.

In an effort to canvas various possibilities of action in the event of a definite break-up of the naval conversations, the following suggestions are submitted for your consideration and for comment at your convenience:

- (a) Giving out the President's original letter of instructions to you and Admiral Standley;
- (b) Socking at least a gentleman's agreement from the Japanese and the British that they will lay down no ships over and above the numbers provided in the existing Washington and London Treaties until after the actual expiration date of those treaties;
- (c) Seeking some kind of agreement that if the Washington and London Freaties finally terminate, none of the three nations will lay down any ship without formal notice to the others, this to apply to any and all vessels of more than five hundred tons and to all submarines of any tonnage. Such publicity might be conducive to some future limitation, and might perhaps make unnecessary the expenditure of large sums for intelligence purposes.

HULL

in hier

THE SECRETARY OF THE NAVY

759 35 Jondon

November 19, 1934.

My dear Mr. President:

I enclose you herewith copy of a memorandum on Limitation of Armaments which was prepared by Admiral Schofield. The original of this memorandum was given to Admiral Standley. Thinking that this might be of interest to you, I send it along for your consideration. Admiral Schofield is one of our best officers, and has well and efficiently filled high and responsible assignments.

We miss you very much indeed, not only on account of the suggestions you make to us and your wise decisions, but also on account of your uniform cheerfulness and hopefulness, which is indeed an inspiration.

I hope you will enjoy to the fullest extent the vacation you so richly deserve.

With kind regards and best wishes, I am

Sincerely yours,

Claude Homeson

The President, The White House.

Enc.



# MEMORANDUM FOR ADMIRAL WILLIAM H. STANDLEY, U.S.N.

Subject: Limitation of Armaments.

# Fundamental Policy of All Nations.

The fundamental policy of every power participating in the coming Conference is self-interest. No matter what soft phrases end specious arguments may be presented to convince delegates to the contrary, this basic policy will always control. It is therefore necessary always and everywhere to examine motives that underlie proposals and to act in accordance with our understanding of motives. An excellent example of specious reasoning in support of nationalistic aims is contained in Admiral Richmond's article in the October issue of "Foreign Affairs". Therein he purports to examine dispassionately and fairly the principles that must underlie the conclusions of the Conference. His premises in the main are false. I have taken his article to you to read and digest as I believe it contains many thoughts that will be presented to you by British delegates.

My own estimate is that Richmond is either dumb or dishonest. I note however, that he is a talented man, at one time President of the British Naval War College. I therefore further conclude that he is not dumb but thinks that we are.

Richmond's article is the beginning of propaganda to our public. We may expect a large quantity of these effusions calculated to deceive American public opinion and to create thereby an atmosphere injurious to our national interest.

In past conferences which have arrived at agreement, we have been considered and actually have been the only Santa Claus in the conferences. What we are now approaching is a battle in time of peace, the results of which may do us more injury than actual physical battle on the high seas. In this connection, it is to be noted that our diplomacy has sunk relatively more American ships than all the actual battles we have participated in since the founding of the republic. This Conference will be a fight for a dual objective, namely, dollars in time of peace, supremacy in war.

# Basic American Consideration

We should constantly bear in mind that all the foreign relations of Americans except those with Mexico and Canada, depend ultimately upon ships and what they earry. Without ships nothing but words can be transported from America to other countries and words without goods and deeds are futile. This fact so obvious to us Navy people is not obvious to the public. They do not drift the matter down to its basic reality unless it is pointed out to them forcefully and many times.

A specific instance of our dependence on ships is found in the existence of our seaport cities. These are where they are because of ships and for no other reason. If those cities were denied the use of ships, water transportation, they would wither and die. Every sacrifice we make of ships, either commercial or naval, is a contribution to defeat, commercial defeat in time of peace, physical defeat in time of war.

#### Now

Every human achievement is a product of but one thing effort in the Now. If the Now be taken care of, all is taken care of. Of course, a part of that suggested effort in the Now is planning for the future, and our past experience in international conferences has demonstrated that collaborating powers seek to postpone the achievement of our just aims. The building of cruisers has been delayed and the attainment of equality in battleship strength postponed for years through a mistaken generosity. No man knows when war will come but any thinking man knows that when it does come, even now, that what existed in the way of ships at that moment, will determine the outcome unless the war be very long. Our first duty in the Conference therefore is to protect the Now of naval relativity.

# France, Italy and Lesser Powers

In 1921, we gravously hurt the feelings of France and Italy by excluding them from the preliminary conferences of ourselves, Great Britain and Japan. No such mistake should ever be made again. Great Britain will contend that her naval requirements are greatly influenced by the naval strength of France and of Italy. She will seek to keep their naval strength relatively low. I cannot too strongly urge that we participate in no such effort. Every naval vessel that France or Italy or any European power other than Great Britain builds is an assistance to us. The "Hands off" should

be the attitude of our delegates concerning these powers.

## Technical Advice.

It is becoming the fashion to belittle technical advice, meaning the advice of naval officers, concerning naval matters. As a matter of fact, they are the only ones competent to judge the naval aspects of naval proposals. We should not submit to any omission of the full recognition of this fact. We should point out that our advice must bear a special weight because upon us rests the responsibility for the use of force that is placed at our disposal for the technical use. It is we who have to stay on the job throughout the years of our life and who may have to combat the ill effects of diplomatic decisions taken years before, contrary to that advice.

### Concessions.

We have a bad habit of expecting to achieve our ends by showing our hand in the game prematurely. If we expose all our cards at the beginning of the Conference, declaring all our concessions at the start, that becomes a starting point for negotiations and we find ourselves in the position where we are unable to force or barter for concessions from others.

It has been my experience in the three conferences I have attended that no one other than ourselves frankly stated their position at the start. The concessions having been made, we may find ourselves unable to make further concessions and then are charged by propaganda of foreign nations of "breaking up the Conference" because we would not yield when they themselves had yielded some minor points. Concessions made at the start bring us no credit and weaken our position.

# Ratios.

In the matter of retios, with relation to Japan, we should never lose sight of the fact that the fortification phase of the Washington Treaty was intended and did fully compensate Japan for her ratio of 3.5. Her claim for an increased ratio now should be rejected flatly unless it is coupled to an abrogation of the fortifications phase of the Treaty of Washington.

Mr. Bridgman, the British First Lord, said that the Geneva Conference of 1927 failed because of the lack of preparation on the part of the delegations, referring particularly to the American delegation. The lack of

preparation that he had in mind, I feel sure was a preparation of the American public to accept the British proposals. You may possibly have the same kind of propaganda on the part of the British Delegation this time.

Japan may threaten to withdraw from the Conference if she does not get an impressed ratio. It is my estimate that this will be a bluff and that it can be called by a firm adherence to the present ratios with no concessions whatever. A prominent member of the Japanese Delegation told me at Geneva that it was essential to them, the delegates, to carry back some evidence of victory on their part, no matter how small. He also said that whatever limits of naval tonnage were permitted to Japan, they would always build to those limits, that that was the national spirit. I believed him at the time and later events fully justified this frank statement by him.

No concessions to either Great Britain or Japan in the matter of ratios is my recommendation. No opposition to increasing the French and Italian ratios is also my recommendation.

## British Policy.

The fundamental British naval policy is supremacy of the seas. Every negotiation that she enters into is directed toward the achievement of this basic policy. When she agrees to equality with us, she fights in the details of the agreement for supremacy and up to the London Conference has been successful. She is now about to menew that fight along broader lines. She talks economy as if it were a principal policy of hers, whereas the practical application of her suggestions in economy lead to the imposition of types of ships on her rival, that if adopted would place her in a markedly superior position, strategically and tactically. Her aim is to weaken us and to strengthen herself.

British history should be in mind throughout the negotiations. When Britain is confronted with rivals, she seeks alliances against the most powerful. She never would come to our aid in any war, preferring to see us weakened that she may be relatively stronger. Personally, I believe that even now she has a secret understanding with Japan and that the basis of this understanding when it becomes visible, will be Japanese partial withdrawal from the Indian market in return for British acquiescence of her Asiatic ambitions. I saw undeniable evidence of Japanese and British cooperation

at Geneva. I predict that although the Japanese greatly desire to reduce our air power, that it will be the British who make the proposal.

If a treaty is arrived at, we shall have to watch very closely the wording to ensure that the Dominions' navies are included in the British limitation.

In all dealings with the British, we have to remember a statement by their great admirer and friend, our American Ambassador during the World War, Mr. Page, who said that he greatly admired the unctuous rectitude of the British in stealing continents. Individually they are as honest as we are but in dealing with government affairs and national aims that honesty is deeply influenced by expediency.

# Japanese Policy.

The Japanese will present no difficulties in types of ships. They will limit their demands to relatively increased numbers of ships. They are quite frank in their demand for increased ratios. As above suggested, I believe that both they and Britain will pull together in the coming Conference.

# Battleships.

I understand that a decision has been taken for us to accept or to propose a twenty per cent reduction in battleships. I am sorry that this decision has been made because it introduces an element of luck in operations which is bad, particularly as the nature of our operations distant from bases is more likely to bring bad luck rather than good luck to us. Our ships will be more liable to casualties in long voyages than the ships of other powers in shorter voyages. Further, the loss or absence of one unit creates a greater relative loss when the total number is small than when it is larger. I feel that we cannot accept any reduction whatever in tonnage of individual units. It is important that the fleet of battleships be as nearly homogenous as possible. It is well known to navel officers when we bring our battleships into action, that they do not all become effective fighting units at the same time, but successively as the range closes. To introduce a 12 inch gun now would be to continue an undesirable situation for many years. I would be willing

to accept a 14 inch gun as the maximum caliber but nothing smaller. The argument in favor of the smaller battleship put forward by the British is economy. The extent of this saving incident to building smaller ships is entirely incommensurate with the value of homogeneity in the fleet. In fact, the whole argument of economy is a specious argument wherein we are asked to trade the saving of a few millions now for markedly increased insecurity in the future. Our effort in negotiations should be consideration for tactical and strategical homogeneity of battleships and for the ability to begin hitting with our own fleet as soon as any fleet begins hitting us.

I therefore recommend no concessions in tonnage of individual units of battleships and no reduction of caliber of major battery below 14 inch, preferring to retain the 16 inch.

#### Cruisers.

At Geneva in 1927, the British Delegation made a great to do about the "offensive" character of the 8 inch cruiser and the "defensive" character of the 6 inch cruiser. As a matter of fact the reverse is the truth. The British seek a large number of six inch cruisers to further their policy to sweep all enemy commerce from the seas. It is a correct policy for them if they can get the six inch cruisers in addition to the 8 inch. The mission in view for those six inch cruisers is distinctly offensive. They perform the real aim of all navel sea action to sweep the mnemy merchant ships from the seas. They further desire to limit the number of 8 inch cruisers of opposing powers so as to augment tremendously the effort of the 6 inch cruisers by converted merchant vessels. It should be borne in mind always the more we reduce the number of fighting ships, the greater becomes the advantage to Great Britain in naval effort chant ships.

The defensive aspect of the 8 inch cruiser is this, that they can make it highly dangerous for the independent operation of the 6 inch cruisers. They serve to limit very decisively those operations. These two aspects of the offensive and defensive character of cruisers are well illustrated in the battles of Coronel and Falkland Islands. Both actions were defensive so far as the British were concerned. The Coronel action

may be called a defensive action on the part of the British 6 inch vessels, that is, weak vessels. The British were wiped out because they were not strong enough at the point of tactical contact. They failed to defend their commerce then and there.

The Battle of Falkland Islands was again a defensive action on the part of the British, defending their commerce in the southern oceans by action against Von Spee's Squadron, that sought to disrupt British shipping in those oceans. The British did not send small vessels for that purpose but large ones and succeeded admirably in the defensive effort.

The two actions illustrate dramatically shy we desire 8 inch instead of 6 inch cruisers, because we may defend our commerce by offensive action against those vessels that threaten it. To be successful in this effort we must have superiority of force at the point of tactical contact. No 6 inch cruiser can defend itself against an 8 inch cruiser.

In any war involving sea transportation, the convoy system is likely to spring up on both sides. The navy vessels escorting the convoy must be strong enough to fight off probable attack. Mo 6 inch vessel is protection for a convoy attack by 8 inch vessels. Defense requires individual power in each unit.

The British will contend for a large number of small cruisers knowing full well that we will not build the number that they will build. We must always bear in mind that the basic maission of sea werfere is the destruction of the enemy's sea transportation and the control of all merchant ships that bear supplies to him. It is the old question of the guerre de course. The battle of major flats is always for the object of opening the gates to that kind of varfare. Of course, the guerre de course deed not necessarily wait for the battle but carries on, provided ships are available. We must aim to prevent any superiority in the availability of those ships to any of our potential enemies.

Economy is put forward as a reason for building these smaller cruisers but the real reason is the hope that greater relative cruiser strength may be achieved through prescribing to us a type that does not suit our naval purpose. It should be noted in connection with this speciousness of the economy plea that it costs more money per ton to build small ships than large ones. If the total tonnage be fixed, economy lies in the building of large units rather than small ones.

It is true that the 6 inch cruiser is useful in the screening of the fleet and for nearby scouting but movements of the fleet are likely to be far less frequent than all smaller aggregations of naval force whereas cruiser activity is continuous during the war. The principle of the maximum employment applies particularly to cruisers so far as we are concerned. If we have an 8 inch cruiser, it can be sent far from base with no fear of any single vessel, whereas a 6 inch cruiser has no security in the presence of one or more of the 8 inch cruisers. The 8 inch cruiser can perform the fleet duties of the 6 inch cruiser equally well and can perform independent and distinct duties wastly better. I recommend that no agreement on cruisers give British a superiority of cruiser tonnage and that no agreement prescribe the small cruisers for us.

#### Submerines.

I am heartily in favor of the total abolition of submarines as a means of (1) Bettering our national position and (2) economy. I recommend that no effort be made to reduce or to limit the tonnage of individual units. If any power would like to build 4000 ton submarines within a total tonnage limitation, I would not interpose the slightest objection because such action reduces the number of casualties for us.

I think there is no use in endeavoring to limit or prescribe the unlawful use of submarines. Experience in the World For demonstrated the futility of such action. I discussed the matter during the war with high officers of the British Admiralty and was told by them that if they had been in Germany's place that they would have acted as Germany did with her submarines.

#### Destroyers.

We cannot afford to change the present destroyer treaty in any way whatever.

## Air Force.

garding naval air forces in any way whatever, except possibly the abolition of landing-on deck cruisers".

#### Bases.

The question of bases is so well understood by everybody that I need not say much.

The number and location of bases has a very important influence on the number of ships that can be kept in a given operating area. I notice in the press from time te time veiled suggestions from British sources that British bases might be very useful to us in time of war. This suggestion was made to me years ago by several officers who had held very high positions in the British Covernment. It was made in the way to suggest that America really had no need for distant bases. I smiled and said to myself that the power that can say "yes" now can say "no" at any time it chooses to say it.

#### Conclusion.

I shall not recepitulate my recommendations but I do wish to say that we have always to bear in mind that when war comes, we shall find ourselves alone. We have got to be self-sustained, self-defended. The first battle in this effort will be bloodless and is before us now - a diplomatic battle.

FRANK H. SCHOFIELD Rear Admiral, U.S.N. (Ret.)

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Hackit Adjourn ? 1/1/34

The naval conversations in London have reached a position which sounds familiar to the student of conferences recent years. The Japanese delegates have stated part of the programme, a very clear and decided me, which they brought with them to this country ; they have announced that they can no longer accept inferiority to any other Power, and they have proposed a scheme of partial limitation of arms which the other two Roxers, the United States and Britain, would not accept. The United States has proposed that the Powers should maintain the existing ratio in armaments, but also that they should carry out a "substantial allyound reduction " in quantity. Japan, since this defeats the whole object of her policy, rejects it. The British Government is understood to have thought that Japan might agree in practice not to build up to equality, even if that had been conceded to her, and that it might be possible to agree about limiting the size of battleships or not fortifying bases in the Pacific. But there has been no agreement, and what we have to expect is that the Japanese will now at any time fulfil the other part of their programme-denounce the Washington Treaty and so recover complete freedom of action. Hence the sound that strikes on our accustomed care : the conversations will adjourn. The word adjourn can only have originated in the East. where for hard situations they frame the comforting and grateful phrase. It suggests that there is no breakdown, no deadlock, and that the conversa-tions will "in the spring" resume the smoothness of their course. And if our statesmen believe that by taking thought during the next few months they can find any solution to a very desperate riddle no one, will object to their using an incantation. They come, they see, and they adjourn. By all means, if they conquer in the end.

The proposal to adjourn to the spring, which is British, stands midway between the views of the United States and Japan. The Japanese, if we may judge by their press, do not see any need to interrupt or adjourn the conversations; their programme having been fully stated (and presumably accepted), the negotiators would then proceed to a "continuation com-mittee meeting" at which some of the most prinkly questions raised by the conversations would be discussed (except, of course, Manchuria). As was seen at Geneva during the Manchurian discussions, the Japanese are unwearying at the conference table. The United States delegates are less impressed with the value of more words either now or at some definite time in the spring; they seem

to think that the conversations soon resemble a Sleeping Beauty arrival of a Prince Charming who has a chance of wakening her to real life again but whom at the moment they do not foresec. Mr. Norman Davis the other day put the position, as the United States Government socs it, in round terms. The Washington system of treaties in 1922 established "equality of equality but security": three Japanese ships were as good as five American or British, thanks to geography. Japan, that is to say, enjoyed an equality which, in the words of one of her own spokes-men, was "sufficient to defend, insufficient to attack." It would be easy, from the British point of view, to criticise Mr. Davis's formula, since Japan has for many years, in spite of her inferior ratio, enjoyed an overwhelming superiority over British power in the Far East. What is much more important, however, is Mr. Davis's conclusion that abandonment Davie's concurrent that appending of the Washington "principle"—which included political agreements—will produce "conditions of insecurity, of international suspicion, and of costly "pompetition with no real advantage "to any nation." The interval of "adjournment," would be well spent if the Governments concerned, and they are more than the three represented at the conference, would consider how those conditions, feared but not yet produced, can be averted after all. Belind all these fears the real question is not how to prevent Japan's saving a certain number of ships, for no one can or should prevent her if she insists on building them, but how to re-establish in the Pacific the peaceful system which has broken down. Japan is, within a large area, the dominant military Power. That would not matter, for she has been so for a good many years and the addition of a few expensive ships to her fleet will not in itself vastly after the realities of the situation. The alteration lies in her abandonment of the 1922 treaty system, which included limitation of armaments. No remedy is to be found in the "Power politics" of the past. Britain made with Japan an alliance which in effect kept the ring while Japan disposed of Russia and thereby founded her predominance in the Far East. Then came the abandonment by us of the alliance, which wereplaced not by a fleet nor by another alliance but by a many-Power treaty, signed also by Japan, which was its virtue. For us the successor of the Japanese alliance and the substitute for a great fleet in the East was the Washington treaty system, which has now gone by the board. The United States is in much the same position, with the addition that it is traditionally more unwilling than any other Great Power to undertake political commitments. The security of the Washington system lay in its comprehensiveness, and all the Governments who shared in it have now to think hard what they intend to put in its place. What is certain is that they have to work together, whether formally or informally, in up-holding the political principles of 1929, not making exclusive agreements with a "point" against anyone, and not forgetting that the Japan which made and for some years fulfilled the Washington treaties was moderate in character, and that the present direction of Japanese policy may not, after all, be permanent,

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#### DEPARTMENT OF STATE

#### DIVISION OF WESTERN EUROPEAN AFFAIRS

# COMPARATIVE STATISTICS ON ARMIES AND NAVIES OF PRINCIPOR

There is attached a table giving figures concerning the personnel and appropriations for the armies and navies of the seven Principle Powers.

Appropriation figures are given in dollars. They include appropriations for Navy and War Departments or Ministries as well as military establishments but non-military activities have been eliminated where it has been possible to segregate them. As in almost every instance, the figures are those for the national budget, actual expenditures in a given year may have been somewhat less or somewhat greater than is suggested by the appropriation.

Except when qualified in a footnote, the figures for personnel and appropriations do not include national guards, militia, police, gendarmerie, cavabinieri or reserves, but air forces and colonial troops, if any, are included.

The upper tier of figures marked "N" refers to the Navy in each instance, while the second tier marked "A" pertains to the Army (including air force, if it is separate).

PH WE; RWM; AS

# STATISTICS ON ARMIES AND WAVIES (-000 omitted)

	1912-1913		1922-1923		:926-1927		193	30-1931
Countries	Personnel	Appropriation	Personnel	: Appropriation	: Personnel	: Appropriation	: Personnel	: Appropriation :
United States	¥ 1 63.4	129.787	113.5	311.020	1 101	335.644	93.3	1 355,000
	A 1 95.6	151.049	133.2	267.124	134.4	277.243	139.	: 339.906
Great Britain	N: 136.4	224,443	100.9	315.334	102.2	251.550	99.8	1 274.132
	A 1 573.1	236,259	¥10.	211.352 a.)	415.5	: 289.554 c)	393.8	1 289.736 c) i
France .	N : 25.	81.692	55.5	65,552	(3	: 72.236	57.4	1 134,421
į	A: 705.	177.656 a)	744.5	361.599	672-1	372.150	522.7	366.197
	F : 33.5	109.980	15. )	24,912	14.9	52.341	15.	1 46,427
	A 1 656.1	201.003	100. 6)	83.714	99.1	113.699	99.1	: 119,484
	N : 28.9	42.893	45.4	14.436	43.2	63.624	48.7	50,795
	A 1 302.2 1	83.284 a )	308.	110.731	275.6	194,363	222.7	209.227
:	N : 52.6.f):	46,510	70.9	137.899	67.8	119.175	75.	: 131.468
	A 1 225 1	47.066	238.3	122,593	195.5	94.096	210.5 0)	1 105,321
i	N : 60. i	81,960	(A)	391,606 d )	<u>s)</u>	: 698,000 a)	( )	1 712,886 d) i
	A 1 1,500 :	289,911 :	1,590	White the life	562,000		562	

- a) Includes gendarmerie or Carabinieri .
  b) Maximum fixed by Treaty of Versailles.
  c) Exclusive of following appropriations
  for Middle East Services:
  \$23,000,000...1926-27
  2,000,000...1930-31

- d) Appropriations for Army and Navy jointly, in Russian roubles except the figure for 1930-1931 which is in dollars. e) 1928 f) 1910

- g) Not available

" personal"

Sonson Naivae Conf

THE SECRETARY OF STATE

November 26, 1934.

My dear Mr. President:

In response to your request, I am sending herewith a copy of Arthur Krock's article from the NEW YORK TIMES of November 21, 1934, in which he refers to Sir John Simon. I may say that things did need being brought to a head among our British friends in London, and there has been some suggestion that, although Krock of course knew nothing of this phase, it may have happened that while his despatch did irritate, it is possible that it in part hastened the British pronouncement which proved favorable to us.

Faithfully yours,

Enclosure: Clipping. Corbellfue

The President.

Warm Springs, Georgia.

# In Washington

Patience Wanes as British Dicker With Japan.

By ARTHUR KROCK.

WASHINGTON, Nov. 20.—Diplomacy being in part the art of patience, and the President hawing nobly proved his possession of this quality, it is too much to say that the Roosevelt administration is irritated over the failure of Great Britain thus far to range herself on the naval armament question decisively with us against Japan. But it is a fact that the highest American officials are privately revealing impatience with the British, and particularly with Sir John Simon, His Majesty's Minister for Foreign Affairs.

As gathered from conversations in the administration's inner councils, the attitude of the American Government toward the naval dispute is this:

 We are not bluffing, and we do not believe that the Japanese are bluffing either. We fully expect denunciation of the Washington treaty by Japan some time in December, so that it will be on notice of expiration at the end of 1936.

 We will not consent to parity with Japan by treaty, whether on a 5-5-5, a 4-4-4 or a 5-4-4 basis, Great Britain in

the latter equation representing the 5.
3. American officials are now fully convinced that Japan intends completely to assume and militantly to maintain the overlordship of Asia, not only in Manchuria and in parts of China. They feel that Great Britain's plain course, therefore, is to emerge from the present naval conversations, and any conference that may follow, as closely allied to the United States' position as anything short of an offensive and defensive alliance can achieve.

#### Washington Sees Difficulties.

The difficulties in the path of this solution are apparent in Washington, and the career men in diplomacy are inclined to give more sympathetic weight to them than their non-diplomatic chiefs and, of course, the admirals. Some of these obstacles to Anglo-American unity, as seen in this capital, are:

Japan can make a treaty with Great Britain on a joint-security basis. Our policy forbids the United States from such bilateral action. The British are concerned over the situation in Europe and would like to feel free to assemble great naval strength in the Mediterranean and the North Sea in certain eventualities. Since the United States is proceeding to evacuate the Philippines, and only the base at Singapore guards the Indian Empire from Asiatic conquerors by sea, the British have powerful need for good, even allied, relations with the great Aslatic power.

great Asiatic power.

Japan of late has been reaching out vigorously for British trade in the Orient, and statesmen at London have received intimations that this situation, too, could be accommodated in some degree if Japan's naval plans are sympathetically met by Great Britain.

It is true that the Soviet Union might be diplomatically played by Great Britain against Japan as a guard for India and other British interests in the Far East. But Russian naval strength is not adequate, and the rivalry of Great Britain and Russia in Asia was so long a fact that it persists as a legend, and the Soviet has not moderated the Czarist aims in the Orient.

These are some of the considerations which, the career diplomats in Washington concede, are justly complicating Great Britain's final solution of the problem presented by Japan's naval demands. Their superiors are disposed to eliminate most of them in this way:

"Suppose Great Britain makes an agreement with Japan, renewing in some form the Angio-Japanese alliance and leaving the United States to go it alone in the Pacific: can she depend on Japan to keep the agreement? How about Manchuria? The Earl of Lytton is an Englishman.

"Suppose, under the protection of that agreement, Great Britain concentrates her naval strength within European waters: can she feel secure about Singapore and India, and about Far Eastern trade, particularly when we have withdrawn from the Philippines?"

#### Viewpoint Sent to Davis.

This attitude, typical of the view in the highest American official circles, has been recently transmitted for guidance, not as instructions, to Norman H. Davis, Ambassador at Large. It does not seem probable that, in the transmission, the existing feeling of impatience with Sir John Simon's policy has been omitted. If one can judge by chance remarks, by tones of voice and facial expressions, Washington would prefer another statesman at the helm of British affairs with respect to the naval conversations.

Sir John appears to be, in certain quarters, the target for the administration's growing impatience and increasing fear that the United States and Great Britain may not meintain a firm and united front against the Japanese claims. But students of politics are fully aware that a whole section of the British Cabinet has what seems to its members sufficient reason to despair of effective understandings with the United States.

Stanley Baldwin is believed to be still resentful of the war debt settlement and to feel that American policy drove his country into the distasteful condition of technical default. Ramsay MacDonald lost face at the World Economic and Monetary Conference, over which he presided, after his sumptuous errand to Washington was made fruitless by the Presidential dispatch from the cruiser Indianapolis. As for the Chancellor of the Exchequer, it is a saying that "No Chamberlain ever had any real use for the United States."

The Washington Government has not

The Washington Government has not abandoned hope of an Anglo-American front, and it is fully aware that much can happen in the two years the naval treaty has to run after denunciation. The government is uneasy, but it is firm and did not fall to note that Washington's views could not have been more accurately stated than by the Marquess of Lothian last week. Washington feels that its view of Great Britain's wise and proper course is strongly supported in London, and that Japan's future moves will make that clearer to British moves will make that clearer to British

PSF: London Naval Porferen

#### DELEGATION OF THE UNITED STATES OF AMERICA

London, England November 27, 1934.

#### PERSONAL AND CONFIDENTIAL

Dear Mr. President:

I was glad to get your letter of November 9th and to have your suggestions which I shall bear in mind.

I cannot of course tell what turn events may ultimately take, but considering how vague and uncertain the British attitude was when we arrived and what it is today, I am really encouraged. In my opinion the hesitancy of the British in making up their minds what their policy should be vis a vis Japan was due not to duplicity but to a conflict of opinion within the Cabinet, and also to the fact that the problems presented are more serious to them than to us. But as evidenced by the press and by recent talks with MacDonald, Baldwin and Simon, there has been a distinct crystalization of opinion in the direction in which it ought to go.

The small willful group that favored playing with Japan, and who were supported by commercial interests seeking trade advantages, have apparently been losing ground. The wiser and more responsible leaders now seem convinced that a trade with Japan would be too costly and uncertain of fulfillment; that Great Britain cannot rely upon Japan to respect or protect her interests in the Far East and that they would not only be placing themselves at the mercy of Japan but that they would alienate us, and if the dominions cannot look to Great Britain for protection

they

The President.

The White House.

they will inevitably look to the United States.

I have not intimated to the British that we might under certain eventualities take steps to impress upon the dominions the fact that their future security is linked to the United States because it seemed unnecessary and I was afraid the dominions might resent it. I have, however, intimated strongly that Anglo-American cooperation is of more vital importance to the British Empire than to us and that in case of trouble with Japan, Canada as a practical matter would in fact become our hostage.

General Smuts, with whom I became well acquainted at the Paris Peace Conference, came to see me about a week before he made his recent and famous speech on world politics, emphasizing the necessity for the British Empire to cooperate with the United States. We discussed this Far Eastern problem fully and frankly, as a result of which I was quite satisfied with what his attitude would be, which is very important since he is generally recognized as the leading statesman in the British Empire. I was reliably informed that after his speech there was a meeting between Simon and the High Commissioners of Australia, Canada and New Zealand which Smuts attended and which unanimously endorsed the policy he had enunciated in his speech. This was encouraging because Australia, which has a very favorable trade arrangement with Japan now for the disposal of her wool and which she did not want to have upset, had been inclined to favor a conciliatory policy towards Japan.

I have had exceedingly frank talks with MacDonald, Baldwin and Simon within the past few days and I am satisfied that their views with regard to the Japanese proposals and intentions are substantially the same as ours, and that the only real difference is in regard to tactics. That I

think we can iron out.

While Simon is not popular and many question his sincerity or courage of conviction, no one questions his ability, and I am counting on his intelligence to make him see the wisdom of cooperating with the United States. While he undoubtedly wants to maintain if possible the most friendly relations with Japan, he thinks we could both restrain Japan and deal more effectively with her through a tri-partite agreement. However, if the choice has to be made between alienating Japan or the United States, his choice I feel sure will be to go with us. He has I am sure dealt as frankly with me as was possible for him in his official position to do, and he has assured me that they now have no agreement whatever with Japan and under no circumstances will they make one to which we are not a party or to which we can object.

Lord Lothian told me in confidence that as a result of a recent frank and full talk with Simon he is now convinced that Simon is in accord with our views. As an evidence of this Simon asked him to lunch with Neville Chamberlain and himself, evidently with the idea that he, Lothian, might help with Chamberlain who has been the leader of that group in the Cabinet that favored conciliating Japan. At the end of the talk Chamberlain told Lord Lothian that he was now convinced Japan could not be trusted, that she was perhaps bluffing and that England and the United States must at the proper time take a common stand and call this bluff. He thought, however, that it was better to avoid a rupture just now for fear that we would drive Japan in desperation to make an alliance with Germany, which he was satisfied was under consideration.

I have reported by cable the substance of my meeting with MacDonald and Simon on the 23rd which was reassuring. I stressed the fact that if Great Britain and the United States are to cooperate satisfactorily they must fully understand and trust one another, and that it was therefore vital that there should be no cause for suspicion and no effort on their part to play the role of mediator which would arouse suspicion. To this they assented with apparent sincerity.

I agree with you that Japan is unable to keep up in a naval race. I understand that they have now reached the point where they cannot continue military expenditures through internal loans and that they will soon have to resort to an increase in taxation, which will bring home to the people a realization of where the militarists have been leading them.

In a talk with Matsudaira yesterday, which I have reported by cable, he insisted that we must not give up hope yet for arriving at an agreement. My impression is that he thinks the wiser political element in Japan is getting concerned over possible Japanese isolation and that with the aid of the Emperor they may yet exercise sufficient influence to make it possible to reach a mutually satisfactory basis of agreement. He maid that there was no escape from denouncing the Washington Treaty, but that since a conference would have to be called within a year, he thought we should be able now to reach an agreement that would prevent anything from happening in the meantime and to at least lay the basis for subsequent agreement.

My judgment is that after the Japanese have gotten denunciation out of their system and have had some time to

think it over and see that they have nothing, the chances of agreement will be better. One thing that disturbs me is that the world is getting terribly tired of conferences and I am inclined to believe that if we could agree with the British in the near future to discontinue the conversations for the present and send the Japanese home empty handed, we might in the meantime reach a tentative understanding with the British as to our respective naval programs and meet again for so-called preparatory conversations with the Japanese and then reach an agreement and perhaps avoid the calling of an actual conference.

Admiral Standley and I have come to the conclusion that since Japan, for political reasons, is determined not to continue legally bound to an inferior ratio, we could preserve the fundamental basis for naval limitation by maintaining all of the provisions of the existing treaties except as to quantity and then the British and ourselves could discourage and most probably prevent any effort to alter the actual ratio by a quantitative increase to offset any increase on the part of Japan. Qualitative limitation of course works in favor of the great powers.

I apologize for such a long letter to such a busy per-It has been difficult even for me at times to be patient, but so long as the wind is blowing in our direction I feel that I cannot afford to lose my patience.

With warmest personal regards and best wishes, I am

PS. Jam enclosing a carton that

Wednesday, November 21, 1934. CENTRAL 3000 The Evening Standard (Copyright in All Countries) DELEGATION OF THE UNITED STATES OF AMERICA STATES OF AMERICA STATES

London, December 14, 1934.

#### STRICTLY PERSONAL

My dear Mr. President:

Although our conversations will soon be terminated and we will be going home (but not, I regret, in time for Christmas) I think it well to give you my thoughts on certain aspects of the situation here.

I fully recognize the logic of the position taken by you and the Secretary, as set forth in the recent telegraphic instructions to me. My one doubt and precocupation has been with regard to tactics, and I should like to explain this in somewhat greater detail than has been possible in my telegrams.

In particular, I do not favor, and have never proposed that we give Japan anything in the way of an agreement to take home which could be construed as a willingness to consider now, or in the future, an alteration in the existing principles of naval limitation.

I have been proceeding on the theory that it was our policy, and in our interest, to maintain an Anglo-American front as the best means of avoiding trouble with Japan or of minimizing it if it could not be avoided.

When we arrived the possibility of such a common front was precarious. While our remaining here, against our judgment as to the best tactics to pursue with Japan, has embarrassed you at home, I cannot but feel that it has been distinctly worth while. It has helped very much to crystallize public opinion in England in our direction. It has also forced the British Government to come to grips with the problem

The Honorable

Franklin D. Roosevelt,

Washington, D. C.

and to agree with us on fundamentals; and it has helped to make them realize that they cannot afford to make a separate agreement with Japan or make an agreement that was unacceptable to us. Moreover, it has enabled us to get assurances to that effect.

In fact, the British have come slowly to realize that, if they are to induce Japan to "play ball" they must make her understand that she will have to play on the same team with both of us, or play alone, and this in turn is having its effect on Japan.

This situation has caused embarrassment to each of the three governments but, frankly, I feel sure that the British, and certainly the Japanese, have had more to worry about because their position has been more vulnerable than ours. The British evidently feel that their position, which was from the outset more difficult in many ways than ours, has been made even more embarrassing by the fact that we are unwilling to join with them in their efforts to reach a basis for a future agreement which they feel to be of vital importance and, at the same time, they are unwilling to act or take a definite position without us, and have so committed themselves to us.

I hope I have succeeded in getting the British to abandon their strategy of minimizing the significance of denunciation by Japan. Aside from the fact that the British technique is different from ours, they, in contrast to us, are guided more by expediency than by principle.

There are several reasons which make the British hesitate to accept our views as to tactics and make them eager to conditiate Japan, but without conceding fundamentals: First, The British Government has to take into consideration the fact that there is a strong sentiment among the industrialists here, who have considerable influence here and who favor having England reach some agreement with Japan for a division of trade in China where the Japanese would, in effect, have the northern half and the British the southern. They argue that such an arrangement would be profitable and would at least keep Japan occupied for so many years as to remove the incentive to threaten British interests.

Second, The Government leaders insist that they want cooperation with us more than anything else, but that cooperation, in order to be successful requires day to day, close and friendly contact and consultation on matters of common interest.

Third, They have an inordinate fear that if the tactics we propose so estrange Japan as to lead to ultimate trouble, we may not be with them when the trouble comes. For instance, they intimate that under American pressure the League adopted our views with regard to Manchukuo, which forced Japan out of the League; and that, since the action thus taken was not followed by cooperative steps looking to a solution, the situation has become increasingly a source of trouble and embarrassment; and that our active interest in promoting a policy of non-recognition and moral condemnation was followed by a policy of more or less withdrawal from the Far East, including the ultimate withdrawal from the Phillipines.

Fourth, The British are most eager to avoid a naval race which they feel they cannot afford and which they feel will be inevitable if the Japanese get away with out some arrangement for returning later.

Although admitting that an unsuccessful con-

ference is worse than no conference, the British maintain that it is more dangerous still to allow a situation to get so much out of hand as to make a conference impossible.

MacDonald particularly is obsessed with the fear that if the door is now shut tight on Japan and it is not made known to her that she may, if she wishes, re-enter negotiations, not by another door but by the same one, it will be politically impossible for her to knock and ask for re-entrance, and naval limitation will be over. Furthermore, MacDonald, for political reasons, wants above all to prevent the impression that the conversations have resulted in a failure.

Fifth, The British are also becoming more fearful of a German-Japanese alliance and point to the fact that there is an increasing amount of propaganda in the Japanese press in favor of this, with the added suggestion that Germany should be brought into any Naval Conference. They insist, therefore, that if Yamamoto gets away from here without being tied up in some way to return at a fixed date, Japan will inevitably get together with Germany.

To sum up, since the British cannot get a binding agreement from us for cooperation such as they would like, they do not feel like casting Japan entirely aside. Their policy is, first and foremost, to cooperate with us in any event, but, second, to induce Japan as far as possible to cooperate with us both, which they are hopeful of achieving by making Japan realize that, while there is not today a common Anglo-American front, there is a common point of view on fundamentals from which we will not depart.

In my talk with MacDonald yesterday, the substance of which I reported by cable, he impressed me definitely as being suspicious of Japan but, at the same time, most fearful of getting into trouble with Japan. He sang his old song about being fearful of inciting the Japanese Jingoes and thus placing the British interests in the Far East under the possibility of attack. He said, for instance, that if the Japanese should try to take Hongkong there was no guaranty of our aid since we could not enter into an alliance which, of course, he understood. I replied that what we should have was a broad basis for cooperation and nothing in the way of a political alliance to which the American government and people would never agree.

Judging entirely by the recent change in the attitude and stand taken by Matsudaira and Yamamoto, Japan is looking for a way to recede from its previous impossible position; but we can tell more about that in the next few days.

I am enclosing an interesting editorial from today's Manchester Guardian, which is very significant. Heretofore this influential paper has been rather taking the position that we were unreasonable in not conceding more to Japan. I am now informed that the statement of our position, which I recently made, has considerably influenced their change in attitude.

At any rate, we are planning to sail on the 29th of December.

With warm personal regards and looking forward to seeing you in the near future, I am,

Faithfully yours,

Thomas Hours

NHD: EH enc. PSF: London Naval Conference

#### THE WHITE HOUSE WASHINGTON

#### CONFIDENTIAL

December 17, 1934.

#### MEMORANDUM FOR

#### THE SECRETARY OF THE NAVY

Will you please discuss with the proper Officers the advisability of immediate studies looking to the development of possible new types of ships on the theory that the Washington and London Treaty restrictions may be entirely removed within the next two years?

for additional appropriations for the Design Bureaus, I would be willing to approve a small appropriation for this.

There has been considerable discussion, of course, in relation to new types, such, for example, as a heavy cruiser type larger than 10,000 tons, a lighter cruiser type, large radius, high speed with scouting plane facilities; a pocket battle-ship type, larger than the German design but much smaller than existing battleship displacement, new aircraft cruiser types designed to operate with fast cruiser squadrons at distant points.

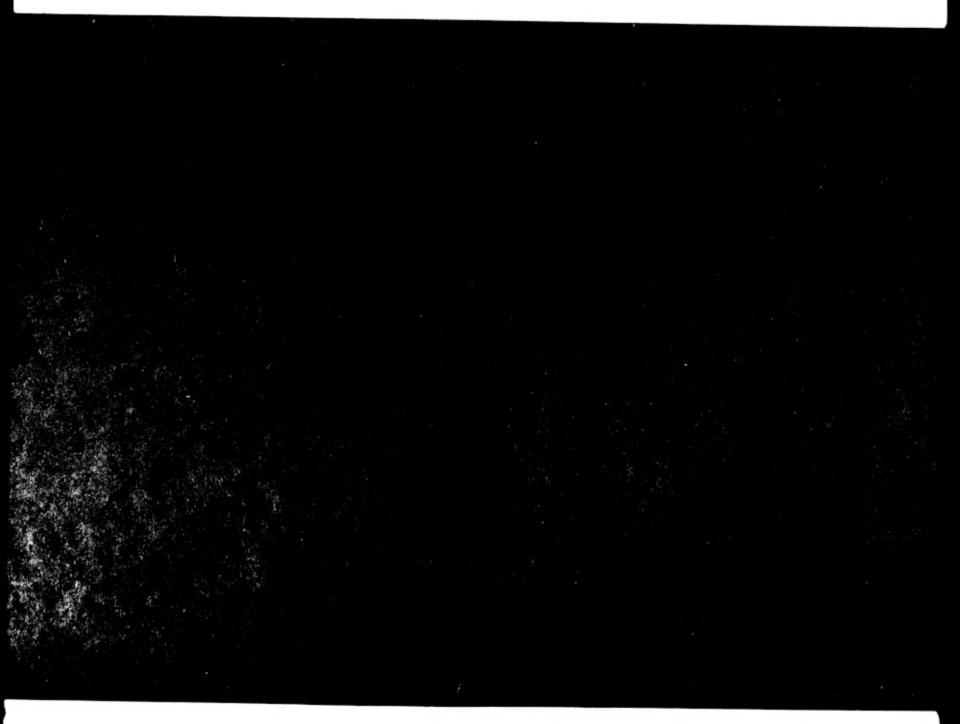
THE WHITE HOUSE

-2-

At the same time I should like to have a study made of the possibility of establishing one or two very large air bases in the Philippines, with a smaller base in Guam, and still smaller bases in the Midway-Hawaiian chain and in the Aleutian chain of Islands.

All above studies should, of course, be treated as highly confidential.

F. D. R.



PSF: London Naval Conference

### DEPARTMENT OF STATE

# DIVISION OF FAR EASTERN AFFAIRS

January 19, 1935.

Mr. Grew's despatch No. 1102, December 27, 1934, from Tokyo, Subject: The Importance of American Naval Preparedness in Connection with the Situation in the Far East. Summary of the Situation.

## DIGEST AND COMMENT

Referring to the London naval conversations, Mr. Grew states that "The firm stand of our Government and delegation to maintain the present naval ratios intact in the face of Japanese intransigence, as well as their decision that the action of the Japanese Government in denouncing the Washington Naval Treaty automatically created a new situation in which the conversations must be suspended sine die, leaving the Japanese to return home empty handed, were especially gratifying to those of us who have watched the developments in London from this angle."

Mr. Grew then affirms that, with regard to our course in relation to the Far East, the United States is faced and will be faced with two main alternatives: one, to be prepared to withdraw from the Far East, "permitting our treaty rights to be nullified, the Open Door to be closed, our vested economic interests to be dissolved and our commerce to operate unprotected"; the other, "to insist, and

to continue to insist, not aggressively yet not the less firmly, on the maintenance of our legitimate rights and interests in this part of the world and, so far as practicable, to support the normal development of those interests constructively and progressively."

Mr. Grew then states, "There has already been abundant indication that the present Administration in Washington proposes to follow the second of these alternatives." This he considers the "logical course." In following it, "there should be and need be nothing inconsistent, so far as our own attitude is concerned, with the policy of the good neighbor." In the administration of that policy from day to day, "much depends on the method and manner of approach to the various problems with which we have been, are, and will continue to be faced." In view of Japanese characteristics mentioned, "the method and manner of dealing with current controversies assume a significance and importance often out of all proportion to the nature of the controversy. That the Department fully appreciates this fact has been amply demonstrated by the instructions issued to this Embassy since the present Administration took office, . . . "

"But behind our diplomacy lies a factor of prime importance, namely national support, demonstrated and reinforced by national preparedness. . . . a fundamental element of that preparedness should be the maintenance of the present naval naval ratios in principle and the eventual achievement and maintenance of those ratios, so far as they apply to Japan, in fact."

". . . We need thorough preparedness not in the interests of war but of peace."

Next, Mr. Grew makes statements with regard to Japanese characteristics and reactions, mentions "the things that are constantly being said and written in Japan, to the effect that Japan's destiny is to subjugate and rule the world (sic)," mentions the intense nationalist sentiment and expansionist ambitions which prevail in Japan today, mentions the risk "which unquestionably exists" that the Japanese Army and Navy may take the bit in their teeth, and says that, in view of these facts, "we would be reprehensibly somnolent if we were to trust to the security of treaty restraints or international comity to safeguard our own interests or, indeed, our own property."

At this point Mr. Grew refers to an earlier despatch (608, December 12, 1933). In that despatch, he had given an account of view of the senior foreign diplomat in Japan, one who has served in Japan in various capacities for a period of about twenty years. That diplomat attached great importance to Japan's so-called Pan-Asiatic movement, felt that there was great risk that Japan, under the leadership of its Navy, would move toward seizure of certain possessions of certain of the foreign powers in the Pacific, and did not believe

believe that economic considerations would act as a deterrent. He believed "that the year 1935 is likely to produce in fact the crisis which is now being freely predicted [in Japan] in theory, and that the Japanese Navy at that time is fully capable of taking radical action such as the Army has already taken in Manchuria." In this despatch, Mr. Grew had emphasized the need of approaching problems of the year 1935 "in all wakefulness."

Mr. Grew points out that the armed forces of Japan
"are perfectly capable of over-riding the restraining control
of the Government and of committing what might well amount
to national "hara-kiri" in a mistaken conception of patriotism."
The Japanese have in mind a pax Japonica; some of them,
eventual complete political control of East Asia. "There is
a swashbuckling temper in the country . . . " " . . . Plots
against the Government are constantly being hatched."

At this point Mr. Grew refers to another previous despatch (1031, November 1, 1934). That despatch gives an account of a pamphlet issued by the Japanese War Office which deals with various elements in the problem of national defense and points openly to the United States and Soviet Russia as potential enemies. It advocates a sort of state socialism, the achievement of which in Japan would require virtually a revolution.

Mr. Gree loudiness with captable upon "the prime

Mr. Grew expresses the wish that more Americans could visit and live in Japan and come to realization of the risks and dangers of the situation "instead of speaking and writing academically on a subject which they know nothing whatever about, thereby contributing ammunition to the Japanese military and extremists who are stronger than they have been for many a day." He says "The idea that a great body of liberal thought lying just beneath the surface since 1931 would be sufficiently strong to emerge and assume control with a little foreign encouragement is thoroughly mistaken."

Mr. Grew then points out that the Embassy is not possessed of or motivated by any "anti-Japanese complex." He differentiates between things and persons in Japan that are admirable and things that are not. He points out that the Japanese as a race "tend to be inarticulate, more at home in action than with words." He says ". . . . the military and the extremists know little and care little about Japan's relations with other countries." "Japan is a country of paradoxes and extremes."

"... Constructive work is at present impossible.

Our efforts are concentrated on the thwarting of destructive influences." (COMMENT: The writer of this memorandum has frequently made a similar affirmation with regard to the whole of our current effort in regard to the Far East.)

Mr. Grew continues with emphasis upon "the prime importance of American national preparedness" to meet the potential

dangers of the situation. He mentions our leadership in international efforts toward restriction and reduction of armaments. He mentions our hopes. Then, "but the condition of world affairs . . . since the Washington Conference has not afforded fruitful ground for such progress. Unless we are prepared to subscribe to a 'Pax Japonica' in the Far East, with all that this movement, as conceived and interpreted by Japan, is bound to entail, we should rapidly build up our navy to treaty strength, and if and when the Washington Naval Treaty expires we should continue to maintain the present ratio with Japan regardless of cost, a peace-time insurance both to cover and to reduce the risk of war. In the meantime every proper step should be taken to avoid or to offset the belligerent utterances of jingoes no less than the defeatist statements of pacifists in the United States, many of which find their way into the Japanese press, because the utterances of the former tend to inflame public sentiment against our country, while the statements of the latter convey an impression of American weakness, irresolution and bluff."

Next, Mr. Grew discusses the probability that when it is demonstrated to the Japanese that we are in earnest that they will seek a compromise. This he concludes with the statement, "I believe that it will come."

Finally, Mr. Grew refers to Theodore Roosevelt's "Speak softly but carry a big stick." He declares, "if we

are to reduce the risk of an eventual war with Japan to a minimum, that is the only way to proceed." "... for preparedness is a cold fact which even the chauvinists, the military, the patriots and the ultra-nationalists in Japan . . . oan grasp and understand." ". . . again, and yet again, I urge that our own country be adequately prepared to meet all eventualities in the Far East."

In conclusion, Mr. Grew states that the Counselor, the Naval Attaché and the Military Attaché of the Tokyo Embassy have expressed their full concurrence with the contents of this despatch "both in essence and detail."

(COMMENT: Policy officers of FE and of WE, having read this despatch, likewise find themselves in full concurrence with its contents.)

It is recommended that a copy of this despatch, a copy of this memorandum, and a copy of FE's memorandum of January 3, 1935, entitled "Relations between the United States and Countries of the Far East -- Especially Japan -- in 1935" be sent to the President.

PSF: Lordon Moral log.

# THE WHITE HOUSE

CONFIDENTIAL

July 20, 1935.

MEMORANDUM FOR

THE SECRETARY OF THE NAVY

Have you seen this confidential dispatch of July eighteenth from Grew? I think we should seriously consider, if there is a proforma meeting as suggested, at least a formal agreement that every nation will notify every other nation of all ships authorized or laid down for construction.

F. D. R.

Letter from Secretary Phillips enclosing telegram from Ambassador Grew reporting his final conversation with Hirota giving his thought that a naval conference would have to be held before the end of the year, but that it could be a purely proforma meeting and could adjourn for a year or two in the

# THE WHITE HOUSE WASHINGTON

hope that meanwhile some satisfactory arrangement could be evolved.

THE UNDER SECRETARY OF STATE WASHINGTON

October 26, 1935

#### Dear Mr. President:

Norman Davis tells me that you would like to have copies of our exchange of telegrams with London in regard to the forthcoming naval conference. Accordingly I send them to you herewith, and they include, as you will note, your message of yesterday to Ambassador Bingham.

Fathfully yours,

Enclosures:

1elegrams Nos. 435, 439, 478, 482, 485, 284, 508, 511, 300, 522, 530, 535, 313, 315, 316, 536, 538, 317.

The President,

The White House.

London hoval

REP

GRAY
London
Dated September 12,1935
Rec'd 3:04 p. m.

Secretary of State, Washington.

435, September 12, 7 p. m.

Craigie sent for me this afternoon to hand me (disarmament?) the appended aide memoire on naval disagreement.

We agreed, as reported in my 407 of August 27, noon, that this written communication should also be regarded as a precis of conversation.

"The aide memoire communicated by the United States Embassy to the Foreign Office on the 17th August on the subject of the recent discussions on naval limitation appears to betray a certain misapprehension of the real purpose of the memorandum of the 30th July which was addressed to the French and Italian Governments. It is desirable that this misapprehension should be cleared up without delay.

When the conversations between representatives of the Governments of the United States, Japan and the United Kingdom ended in December, it was understood on

Governments

all sides that the next step would be for the United Kingdom to enter upon conversations with certain of the European powers. Conversations were accordingly arranged with representatives of the German Government, but up to the present it has not proved possible to institute any further bilateral discussions with the French and Italian Governments. As an alternative method of procedure His Majesty's Government in the United Kingdom have set forth in the form of a memorandum what they had understood, from the earliest conversations held in 1934, to be the desiderata of the French and Italian Governments so far as qualitative limitation was concerned and they inquired of those governments whether the limits mentioned did in fact correspond with their views. The objective of His Majesty's Government has been, not to make to the United States or the Japanese Government anything in the nature of joint European proposals, but simply to ascertain, by the only mothod remaining open to them, the definite views of the French and Italian Governments on those points. Once the facts had been ascortained and the views of the French and Italian

Governments as to the holding of a conference had been made known, it had been the intention of His Majesty's Government to communicate these facts to the Governments of the United States and Japan and to invite an expression of their views before attempting to reach a final opinion as to whether a conference could be held this autumn. Thus His Majesty's Government had in any case contemplated the holding of further Anglo-American conversations on the lines suggested in the United States Embassy's memorandum before anything in the nature of 'proposals' for submission to a conference of the Washington powers could be drawn up.

It is doubtless a misconception of the intentions of His Majesty's Government on this point of procedure which lod the United States Government to state in their memorandum that His Majesty's Government are endoavoring to put forward 'as a European view' proposals which His Majesty's Government must have known to be unacceptable to the Government of the United States. His Majesty's Government have made no such endoavor and their proceedings throughout have been strictly

whon

strictly in accord with the understanding reached with the representatives of the United States and Japanese Governments before they left London.

In this connection it is observed that the United States aide memoire, when speaking of the qualitative provisions of the British 'middle course', states that these 'were not to be devised in an effort to change existing types, but were rather to prevent competition in new types!. To avoid misunderstanding it should be made clear that the British proposals have always visualized the taking of measures not only to prevent competition in new types but also to socure some reduction in the maximum displacement of ships and the calibre of guns as one means of diminishing the burden of naval armaments in the protocol at large. Although they are aware of the preference of the United States Government for a largor ship and a largor gun than those favored by His Majosty's Government they have hoped that the Government of the United States would be prepared to contemplate some approciable reduction in the Washington limits. They have always believed that

when the United States Government are prepared to indicate definitely to His Majesty's Government what are their minimum views in the field of qualitative limitation no great difficulty should be experienced in reaching a friendly understanding on the point.

Furthermore, the Government of the United States will readily recognize that the countries of the British commonwealth of nations have to take into account both European problems and world problems. Obviously if the other European countries were prepared to agree to a lower limitation, there would be a general advantage if such qualitative limits were acceptable to the oceanic powers, as against the alternative of setting the pace all round in the matter of size.

His Majesty's Government had concluded from previous conversations -- and they still hope -- that there is no considerable divergence of view between the two Governments on this question. They feel with the United States the desirability of establishing as close an approximation of views as possible

6-#435, From London, Sept.12, 7 p.m.

agree with the United States Government that an informal exchange of view would be a helpful course. Such conversations would most naturally take place through the ordinary diplomatic channel between a representative of the United States Embassy and of the Foreign Office, it being of course understood that the naval attache of the United States Embassy and a representative of the British Admiralty would also be present. If this procedure is agreeable to the Government of the United States it is suggested that the proposed exchange of views should take place as early as possible in the prosent month."

ATHERTON

WSB

CSB

REP

London naval cont

GRAY

London

Dated September 12,1935

Rec'd 4:25 p. m.

Secretary of State, Washington.

439, September 12, 8 p. m.

My 435, September 12, 7 p. m.

In transmitting the text Craigie made following observations.

One. Unless the Abyssinian crisis renders the summoning of a naval conference this year absurd, the British Government envisage such a conference being summoned (presumably at their initiative) even though the scheduled bilateral talks with France and Italy have not taken place. This year offers the last occasion for holding a naval conference under the provisions of and therefore in consonance with the terms on which existing naval treaties are based. Any conference after this year would be called under a new set up wherein Japanese demands would probably be impossible of acceptance. The end of October would be the last moment at which invitations might be issued

for a conference in the present year, but before that time the proposed informal exchange of views between the United States and Great Britain should have made considerable headway.

Two. In any conference held this year the British, for want of better, would put forward their six-year program proposals, but if quantitative limitation were found impossible, then the British would like to know before the conference began what would be the American attitude towards a qualitative agreement only, both to ships and guns and a possible zone of no construction. Furthermore, the British would seek advance expression from the United States as to whether, if Japan would not join in any agreement the United States would be willing to consider a pact (to include France and Italy) with a "lot out clause" in view of Japan's indefinito position. In such an eventuality the British would hope that if Japan, could not see hor way to sign at the same time with other nations she might fall into line, informally if not even eventually formally.

Throc. Craigie pointed out that any conference which placed emphasis on qualitative limitation would

be almost doomed if these informal Anglo-American conversations did not reach some approximation of agreement on the size of cruisers incidentally but more especially battleships. As between 25,000 and 35,000 an obvious agreement need not be 30,000-ton battleships but he hoped there might be some fruition to the autumn talks of last year, and that the American Government might find it possible to favor even a 2,000 or 3,000-ton roduction in battleships. Such an attitude of the United States would definitely help the British position in determining its maximum battleship tonnage as well as ronder their task of negotiation with other countries easier.

Four. I explained to Craigie, on expression of his desire for early opening of suggested informal talks, that instructions must first be received from Washington, and then asked, if such government representatives as he contemplated took part in these discussions, whether other governments would be notified as to this Angle-American exchange of views. Craigie was very definite that the Japanese at least should be informed that he and a United States representative were discussing the pres

REP

4-#439, From London, Sept.12,8p. m.

pros and cons of a conference in the present year.

I outlined as my personal point of view that it
seemed to me that in the preliminaries any conversations should be limited to the Near East Attache and
representatives of the Admiralty. Craigie pointed
out that he had no objections to this, provided the
Foreign Office and presumably this Embassy were also
represented and added that last autumn considerable
emphasis had been laid on the necessity for Foreign
Office and Japanese Embassy representatives being
present whenever the Admiralty and Japanese naval
officers met.

ATHERTON

CSB

London naval

FS

GRAY
London
Dated September 27, 1935
Rec'd 2:45 p. m.

Secretary of State, Washington.

478, September 27, 5 p. m.

My 475, September 27, 1 p. m.

By my direction, Atherton and Anderson discussed naval questions informally this morning at the Foreign Office with Craigie and Danckwerts of the Admiralty. Craigie opened the discussion by referring to the British memorandum of August 2nd, amplifying the explanation previously given that it was not intended as an endeavor to create a European front.

It was agreed that the views to be exchanged were tentative and for the purpose of assuring mutual understanding "in arriving at a basis for negotiations looking to an ultimate agreement". The British were reminded that the American Government stood for a continuation of the principles of existing naval treaties and was prepared to accept a reduction as much as 20% in tonnage by categories, but that qualitative limitation without the continuation of ratios or satisfactory quantitative limitations

FS. 2-No. 478, Sept. 27, 5 p. m. from London

limitations did not meet the American desire. However,
-America desired to salvage as much as possible of the
Naval Treaties.

As a preliminary and basic consideration our representatives stated it to be the American understanding that without prejudice to further discussion Britain and America would like to continue the existing Naval Treaty qualitative limitations provided more could be mutually agreed upon and asked for British confirmation, which was definitely received.

The American willingness to accept a reduction in calibre of guns to fourteen inch was affirmed, subject to general agreement by all naval powers. In response to British questions it was stated that America retained liberty of action in this respect until such an agreement had been accomplished.

Subsequently the capital ship was the main theme of discussion. Regarding a reduction in battleship displacement, the British were informed of the American desire to accept such reduction as was feasible but that, even if the reduction were eventually found practicable, our studies indicated that it must be very limited. The British then referred to the view allegedly presented by Admiral Standley that it was desirable to

maximum characteristics and from trial of that to see whether any tonnage reduction could be expected. They were informed this was still the general American viewpoint and, after discussion British acquiesced in this proposition, evidently strongly influenced by current European capital ship construction programs. The fact that Italy is building two capital ships of maximum characteristics, as stated by the British, with fifteen inch guns, and that the French and presumably the Germans propose to match them, resulting in six modern Continental capital ships, has, in the British view, produced a new situation and evidently weakened their insistence upon immediate reduction in capital ship

The proposition finally reached was that each power be permitted to build, after December 31, 1936, two capital ships with existing treaty maximum gun calibre and tonnage limitations, but that ensuing capital ships should by agreement be limited to guns of fourteen-inch calibre. This proposition envisaged a possible reduction in displacement of the fourteen-inch gun ships, perhaps resulting from economy of

weights,

FS 4-No. 478, Sept. 27, 5 p. m. from London

weights, due to reduction in size of guns. In this discussion, however, a tentative American suggestion that the British desire for smaller capital ships might be met by limiting the number of allowed fourteeninch guns per capital ship to, say, twelve, did not meet ready British concurrence in view of their expressed preference for a tonnage limitation. I venture to point out, however, the British took this suggestion under advisement and appeared interested. The British evidently desired to find a way definitely to reduce the allowed tonnage of these above mentioned fourteen-inch gun ships but could suggest no practical method as service experience would not be available until completion of trial of the unfinished new capital ships of maximum characteristics.

No American commitment was made as to this reduction in maximum displacement but the question of a future and very minor reduction in displacement was left open. In the course of this discussion the British tentatively mentioned thirty thousand tons as a future maximum displacement, and then increased their proposal to thirty-two thousand or thirty-three thousand ton maximum.

The British

FS 5-No. 478, Sept. 27, 5 p. m. from London

The British raised the question as to the desirability of a minimum displacement limit for capital ships in view of probable inadequate quantitative limitation by categories in order to provide a blank displacement zone and prevent unusual or surprise types to be developed. In this connection they were apprehensive over possible Japanese competition in new types without such a blank zone. British mentioned a tentative twenty thousand ton lower limitation. They were told this proposition seemed to afford a basis for discussion. Accordingly, instructions are requested on this point.

At the conclusion of the talk the British asked whether we tentatively were prepared to accept British proposed maximum of twenty-two thousand tons with six point one guns for aircraft carriers, and were told an answer on this point would be forthcoming. Instructions are requested.

Unless otherwise instructed it is proposed to hold a further meeting Tuesday or Wednesday of next week to discuss those other points in the Department's 261, September 19, 6 p. m., not covered today.

HPD

BINGHAM

Sondan naval Conf.

MJP

GRAY
London
Dated September 28, 1935
Rec'd 9:13 a. m.

Secretary of State, Washington.

> 482, September 28, 1 p. m. STRICTLY CONFIDENTIAL.

The following is supplementary to my strictly confidential cable No. 478, September 27, 5 p. m.

Referring to the first two capital ships to be built by each of our nations after 1936, the British tentatively suggested fifteen inch guns for them. They were told fifteen inch guns were unacceptable to us as we had never developed a naval gun of this calibre and that if fourteen inches were to be exceeded, we considered the present allowed maximum, viz sixteen inches, should be retained. The British, of course, have sixteen inch guns in service as well as we, and there is good reason to believe they have done development work on a fourteen inch gun but their exact progress in this is not known. The British promptly dropped the fifteen inch proposal.

BINGHAM

London noval

MJP

GRAY
London
Dated October 1, 1935
Rec'd 4 p. m.

Secretary of State, Washington.

485, October 1, 5 p. m. STRICTLY CONFIDENTIAL

This morning naval discussions were resumed.

The British proposed that no more eight inch gun cruisers be built; that a limit be placed on number of ten thousand ton six inch gun cruisers, and that individual cruiser tonnage generally be limited to seven thousand six hundred tons; also reiterated their desire for sixty under-age cruisers with retention of ten overage in addition. British stated should there be agreement on no further building of eight inch cruisers HAWKINS class would be scrapped or if retained over-age would be altered to make them class "B". In reply to our question British confirmed situation would then be British would have 15 and we would have 18 class A cruisers.

British were informed United States attitude desiring retention of present allowed maximum cruiser

cruiser characteristics remained unchanged, but their proposal would be submitted. British proposition was contingent upon general agreement Washington powers and British believed Germans would conform, but frankly stated British doubts as to Japanese agreement. As alternatives British would wolcome general agreement for limited term or agreement that cruisers would be limited to six inch guns. We gave no encouragement as to American agreement on any deviation from present qualitative limitations for cruisers.

Regarding destroyers, which term herein includes leaders, British desire abolition of present treaty qualitative limitations unless there be general agreement for continuing existing qualitative limitations. If submarines are not abolished British wants fifty thousand tons of over-age destroyers additional to present allowed 150,000 tons under-age. In case submarines were abolished British would accept reduction of destroyer tonnage to one hundred thousand.

In connection destroyers, as alternative

British mentioned as less desirable possibility a short - term general agreement to continue present qualitative limitations, mentioning two years as against their original six year proposal. In general they appear to favor short-term

MJP -3- No. 485, October 1, 5 p. m. from London short-term agreements if nothing better can be agreed upon. We made no commitments as to destroyers but registered no objections to expressed British views.

Regarding submarines, concurring views were expressed by both as to the desirability of complete elimination of submarines by general agreement or, failing that, for some agreed reduction. The British expressed their desire in case abolition could not be agreed upon that submarines be reduced in tonnage to 250 tons to restrict them to defensive roles. The British recognize there is little hope of abolition of submarines due to probable French and Japanese objection but stated Germany would agree to abolition. British stated their view was that submarines should be totally abolished or there should be allowed a sufficient tonnage to make them capable of real usefulness, for example, failing abolition they could not accept too drastic a reduction but would probably never want more than the present allowed maximum tonnage. There was agreement that failing other limitation the present maximum individual submarine limitations, MJP -4- No. 485, October 1, 5 p. m. from London viz: 2000 tons and 5.1 inch guns should be continued.

British mentioned their desire that article
19 of Washington Treaty regarding limitation of
Pacific fortifications be perpetuated but stated
that subject probably was not appropriate for
discussion now with which view we acquiesced.

Referring to British memorandum of August second, paragraph 8, there was tentative concurrence as to the items from existing naval treaties therein mentioned forming a proper basis for consideration at the conference with continuation probable.

In connection with reciprocal notification relating to laying down new ships, the British referred to the French desire expressed at Geneva for (pre avis) earlier notification and elaborated the British view as to constitutional and technical difficulties for more than six months! notification and said recent information was that the French more clearly now appreciated such difficulties.

Regarding scrapping, we stated the United States has been proceeding on the assumption that the scrapping provisions of the Treaty would be carried out in default of any contrary representations having been made

been made. The British indicated their belief that this matter would be considered by the Conference later this year but that their tentative desire to retain fifty thousand over-age destroyers tonnage in case submarinos were not abolished should be kept in mind and also the possible retention of over-age six inch gun cruisers as already mentioned, this whole proposition was necessarily somewhat undefined since depending considerably upon the changing international situation which British stated for our confidential information had resulted in holding up putting on the sale list cruisers CASTOR CONSTANCE and BRISBANE, already in proprocess of dismantlement. The British reiterated if the HAWKINS class were retained they would be either demilitarized or otherwise altered to make them class "B". Craigie mentioned United States would probably want to avoid precipitate scrapping of old destroyers but Danckwerts observed we had probably had them as long as we wished in view of their age.

Regarding the London Treaty part four, subject
"Submarine Warfare", the British expressed the view
that the next naval agreement was not the best
place

place for rules for submarine warfare, but that they should be in a separate protocol to which the British hoped adherence of all nations might be obtained.

British reverted to capital ships and mentioned the age limit of 26 years allegedly tentatively fixed upon in Geneva Disarmament texts and expressed the British desire that this battleship age limit be accepted. The British consider agreed age limits particularly important as a definition usual to them in connection with their German naval agreement, and also in defining sizes of categories and navies should it be possible to accomplish any measure of quantitative limitation. Instructions are requested.

Craigie stated he had talked to Japanese Charge d' Affaires, after our first discussions and Fujii had stated that he had no instructions or representations to make. Craigie stated he pointed out that the British could not accept as the Japanese last word the uncompromising attitude that they could not talk qualitative limitations without a quantitative

limitations

7- From London, #485

limitations without an agreed upper limit, and requested that Fujii communicate with his Government with a view to Japanese participation in the Conference which the British hope can be convened this year. Fujii promised to do so.

In today's discussions British views, it should be pointed out, were at times clarified and elaborated as the result of our questions or observations.

BINGHAM

CSB

Altes ....

London haval Conf

REP

### TELEGRAM SENT

GRAY

October 3, 1935

7 p. m.

AMENBASSY

LONDON (EMGLAND)

284

Yesterday the Japanese Ambassador called and stated that his Government had received word from the British Government that they were discussing with us the pros and cons of a conference. The Ambassador asked to be informed with regard to (1) our attitude toward a conference and (2) our attitude toward qualitative limitation. I told the Ambassador that as far as our position was concerned we had made no change from the attitude we had taken generally in the bilateral conversations in London and there were no new developments since then with respect to a conference which the other interested Governments did not know. On further reflection, however, it appeared to me to be wise to give the Japanese Government perhaps a slightly more definite reply to their queries and I have this morning asked the Japanese Ambassador to come to the Department

and

AVAILABLE. EVERY TECHNICAL EFFORT HAS BEEN TAKEN TO INSURE LEGIBILITY.

REP

2-#86., To London, Oct.3,7p.m.

and have given him the following unformation with regard to his two questions:

QUOTY We have learned from our Embassy at London that it is the desire of the bratish to hold a mayal conference before the end of the year. We are inclined to concur in the desirability of such a conference, particularly in view of the fact that both naval troating provide for a conference before the end of this year. We recognize that it would be very difficult, if not impossible, to reach at the present time a comprehensive naval agreement along the lives heretofore followed. It is, however, very important for all naval powers concerned not to permit the naval treaties to terminate completely with the result that the whole neval situar tion would be thrown open again. It would therefore be the part of window to seek agreements on those elements of the naval question for which a -cluison can now be found for the pure e of avoiding an unrestricted naval race. We should at Least be belo so tide the situation. over for a brief period in the none that by that time circumstances will be more frycrable for a more comprehensive agreement,

London naval Conf

FS

GRAY
London
Dated October 10,1935
Rec'd 3:42 p. m.

Secretary of State, Washington.

508, October 10, 6 p. m. STRICTLY CONFIDENTIAL.

Last evening Foreign Office requested Atherton and Anderson to call today to receive a communication from Craigie. Danckwerts also present. Craigie reminded that all statements and observations made in these discussions were of course tentative, particularly in view of the changing and undefined European situation.

Craigie then referred to the tentative suggestion previously reported in my 478 of September 27, 5 p.m. that after 1936 England and the United States each construct two capital ships of present allowed maximum characteristics, and therefore reduce gun calibres to fourteen inches. He stated that upon reflection the British had come to the conclusion that by doing this the naval situation might be saddled with a competitive renewal of the construction of fifteen inch

or even

FS 2-No. 508, October 10, 6 p. m. from London or even sixteen inch guns which it might not be possible subsequently to arrest.

Craigie stated that therefore the following was the British view:

First, that, subject to American and Japanese concurrence, there should be no new United States, British or Japanese construction whatever with guns larger than fourteen inches but that the first two capital ships could be of the present allowed individual maximum displacement; second, that the British would urge the French and Cermans to keep down to fourteen inch calibre the guns of the capital ships they are now building, although it was too late to get the Italians to do this; third, that if this could be accomplished there would then be only two post treaty capital ships in existence with guns larger than fourteen inch, that is, the Italian ones, but if it could not be accomplished, there will then only be two such vessels for each of the three countries, Italy, France and Germany, fourth, that, in any event, all capital ships subsequent to the two now building or scheduled in each of the three before-named countries should be limited to fourteen inch guns.

FS 3-No. 508, October 10, 6 p. m. from London

Craigie emphasized that this communication to us was very confidential and if disclosed would weaken their hand in pressing the French and Germans to keep down to fourteen inch guns. The British stated that while they acquiesce that each of the first two capital ships to be built by each of us should be of present allowed maximum tonnage, they hope that later ones can be of less tonnage according to their views previously expressed.

The British observations this morning as elaborated by them have cleared up the British view regarding two definite points mentioned in Department's No. 261 of September 19, 6 p.m. Danckwerts stated, referring to tentative building programs discussed when Admiral Standley was here, that figures mentioned by the First Lord and Admiral Standley were illustrative only, and both Craigle and Danckwerts today made it clear that at the present moment, particularly with the Japanese attitude undefined, it is the British view that it is impracticable to discuss any quantitative limitations now, even such as building agreements, but stated their belief that when the time for such discussion came Britain and America would have no difficulty in coming to a satisfactory mutual agreement.

The British

REP

4-#508, From London, Oct. 10,6p.m.

The British also made it clear that the Admiralty is definitely opposed to the principle of limitation in number of major calibre guns in capital ships, particularly as Danckwerts added the United States seemed not likely to agree to more than two or three thousand tons reduction in capital ship displacement. As an academic illustration mention was made of the fact that the NELSON class have as few as nine major calibre guns and it ensued from the exposition of the British view that the British are not interested in a limitation by the number of guns of a number even as small as nine. In other words, the British Admiralty evidently cannot concur in the advisability of that general mothod of limitation.

As indicating progress made toward arranging a naval conference this year, the British stated that the Italian Ambassador had recently confirmed that Italy will send delegates for bilateral talks with the British with a view to a conference this year. Craigie stated no definite advance had been made in getting the French to come to bilateral talks but that he believed when a date for the conference was

REP

5-#508, From London, Oct.10,6 p.m.

set the French would send delegates for preliminary bilateral discussions. Craigie indicated that there was no recent official information from the Japanese replying to representations he had urged the Japanese Charge d' Affaires to make to his Government, that is, as to whether the Japanese will come to the naval conference.

The British asked us whether we had received instructions enabling us to state the American viewpoint regarding various questions raised at our former discussions. They were told no. For the Department's convenience, the subjects of previous requests for instructions are here recapitulated, viz.: age of capital ships, British proposal 26 years; also minimum size for capital ships, British proposal 20,000 tons; also maximum characteristics for aircraft carriers, British memorandum proposed 22,000 tons, 6.1 inch guns.

BINGHAM

CSB

London naval Conf.

AU

GRAY
London
Dated October 11, 1935
Rec'd 9:10 a.m.

Secretary of State
Washington

511, October 11, 1 p.m.

Japanese charge d'affaires called this morning, obviously to check recent Foreign Office statements to him. I discussed with him at length the contents of Døpartment's 284, October 3, 7 p.m. Commenting on the possible attitude of his government, he pointed out that if Japan did accept invitation to a conference this year it had already been decided that Ambassador Matsudaira would not return to London in time for him to head the Japanese delegation.

In discussing the above conversation with Craigic,
he laid stress on the fact that while the British were
agreeable to qualitative limitation for the long term, and
for the sake of reaching an international agreement in
present day circumstances, were prepared to accept quantitative limitation even for a short period, the British
Government would not favor short term qualitative limitation.

## TELEGRAM SENT

FS

GRAY

October 14, 1935

6 p. m.

AMIMBASSY

LONDON (ENGLAND)

300.

Following is reply prepared by Navy Department and concurred in by this Department, to your No. 478 September 27, 5 p. m., 482, September 28, 1 p. m., 485, October 1, 5 p. m., 486, October 1, 6 p. m., and 508, October 10, 6 p. m.:

QUOTE This despatch is intended as an analysis of and conclusive statement based upon the positions, proposals, and suggestions transmitted in your 478, 482, 485, 486 and 508. The substance of this despatch should be presented in direct terms to the British, avoiding tentative methods of approach which imply a basis for trading, inasmuch as due to shortness of time we consider it essential to present a final unequivocal position to which we hope a definite and comprehensive statement can be returned.

With regard to capital ships, we can agree with the British suggestion made in your 508 that, subject to British and Japanese concurrence, quote "there should FS No. 300, October 14, 6 p. m. to London

should be no new United States, British or Japanese construction whatever with guns larger than fourteen inches but that the first two capital ships could be of the present allowed individual maximum displacement" unquote. We concur in their additional comment as to accomplishing an understanding on capital ships involving France, Germany and Italy. We note with approval your statement of procedure and the reasons therefor set down in the last paragraph of your 486.

We are in general accord with the British proposal for a minimum displacement limit for capital
ships at approximately twenty thousand tons. We see
no objection to the proposed maximum of twenty-two
thousand tons with 6.1-inch guns for aircraft carriers.

We make the following comment on your 485: As part of a comprehensive accord on cruisers we may agree not to build, at the present time, eight-inch cruisers except as replacements of the eighteen existing ships. Our action as to any increase in 6-inch gun cruisers must be contingent on acceptance of a transfer system which will permit the United States to distribute any category (b) cruiser tonnage in excess of prese

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of present limitations among other types as needed by us. We stress a general solution of the cruiser problem with moderate transfer clauses because we deem such a solution more susceptible to acceptance by other nations.

We concur in the British statement made in 508 that quote "when the time for such discussion came Britain and America would have no difficulty in coming to a satisfactory mutual agreement" unquote.

We see the logic of the British objection to present treaty qualitative limitations of destroyers but feel that the same end may be gained by arranging for limited transfer between cruisers and destroyers under the method referred to above. We appreciate also the desire of Great Britain for 50,000 tons of over-age destroyers; unfortunately, however, this increase if unrelated to or not included in the desired cruiser increase results in still further increase of total tonnage. We consider that no distinction should be made between over-age and underage tonnage in any category and that the question should be answered by necessary category increases or, in emergency, by utilization of escape clauses. We

FS 4-No. 300, October 14, 6 p. m. to London

do not favor reduction in present characteristics of submarines and consider reduction of that category tonnage as the only feasible method of limiting submarines. We concur generally in the British attitude as to the relationship of destroyer tonnage to submarine tonnage. We suggest for consideration as a means of influencing reduction of submarine tonnage an allowance at a high ratio, for example, three to one, of destroyer tonnage for purposes of defense against submarines on the part of nations who desire to reduce their allowed submarine tonnage.

We have noted the British mention of Article 19 of the Washington Treaty and agree that this is not a subject for discussion at this stage. We concur generally in their statement regarding "items from existing naval treaties"; also the statements concerning the reciprocal notification. We concur in the British view as to London Treaty, Part 4, submarine warfare. We concur in the British suggestion of an age limit of 26 years for capital ships. UNQUOTE

HULL

London naval Conf

AU

GRAY
London
Dated October 17, 1935
Rec'd 9:55 a.m.

Secretary of State
Washington

522, October 17, 3 p.m.

By appointment Atherton and Anderson called at the Foreign Office today and set forch the points of Department's 300, October 14, 6 p.m., which the British received with evident satisfaction. A precis of conversation was left, based on the Department's instruction (copies by pouch tomorrow) and one British will seek another meeting shortly, after they have studied it, and formulated a precis of conversation for reply.

It was agreed that these precis of conversation would not constitute an "exchange of written official papers or memoranda."

BINGHAM

CSB

London haval Cont

REP

GRAY
London
Dated October 21,1935
Rec'd 3:27 p. m.

Secretary of State,
Washington.

530, October 21, 5 p. m. CONFIDENTIAL.

Foreign Office informed me today that it was their intention to issue invitations to the Washington and London naval treaty powers for a conference this year to meet in London on December 2nd. "The purpose of this conference would be to secure agreement on as many aspects as possible on naval limitation, with a view to the conclusion of an international treaty which would take the place of the two naval treaties expiring the end of 1936. It is hoped that once agreement is in sight the scope of the conference may be extended to include representatives of the other naval powers, but, in the first instance, this matter would be one for discussion between the Washington treaty powers".

It was further added that it was the British Government's intention to suggest in the invitation that

2-#530, From London, Oct. 21,50.m.

that the Ambassadors of the powers concerned should represent their governments supported by competent and adequate naval authorities as well as advisers. After the early meetings it is expected the Conference might, about the middle of December go into a series of technical discussions and adjourn for the Christmas holidays, with the idea that the technical discussions would be resumed some time the first half of January. This holiday recess would permit any technical questions under discussions to be referred to the respective governments, if necessary.

of the Japanese oral representations made late last week in that "the Japanese Government find it impossible to accept the plan for mutual declaration of building programs, such as suggested, even for six years, or even a shorter period, unless a common upper limit is fixed to naval strengths. The Japanese Government believes no qualitative limitation effective unless simultaneous with quantitative limitation.

Moreover, qualitative limitation without quantitative limitation would only be the means of preserving relationships

3-#530, From London, Oct.21,50.m.

relationships in naval strengths among powers. Therefore Japanese Government cannot agree to such a plan.

However, Japanese Government still desires further
free and frank exchanges of views among powers concerned."

Foreign Office added informally this Japanese oral statement tantamount to agreeing to come to any conference call this year and Foreign Office is like-wise optimistic that French will agree.

I shall make no observations to the Foreign Office on the proposals which they outlined to me above failing instructions from the Department.

BINGHAM

CSB

MRM

TELEGRAM SENT

London noval Cont

October 24, 1935, 9pm.

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

AMEMBASSY

LONDON (ENGLAND

315.

RUSH.

Department's 313, October 24, 7pm;

When conveying to the British Bovernment our acceptance of their invitation, you should inform them that of course we are accepting on the assumption that the British agreed to the position taken in our last cable giving the Navy Department basis for agreement and also, notwithstanding the fact that it may not be possible to agree now on quantitative limitations, that it is still to be understood that we both agree on the principle of naval parity as between the United States and the British Empire.

HULL

(JCD)

Received by telephone: October 24, 8:45pm. SMS

TOTOON (BROKEND

A SHISBARIOT

Department to 310, October 34, 7pm.

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accept to an its in invitation, you should inform

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London naval Conf

MJP

GRAY

London

Dated October 24, 1935 Rec'd 12:40 p. m.

Secretary of State,

Washington.

RUSH

535, October 24, 4 p. m.

My 530, October 21, 5 p. m.

An official invitation received today from His Majesty's Government, in view of the express provisions of Article 13 of the Washington Naval Treaty and of the corresponding article of the London Naval Treaty, for a conference to meet in London on the second of December. I am requested to state as soon as possible whether the United States Government is prepared to be represented at the proposed conference. Text by the pouch.

The last paragraph of the invitation reads:
"I have the honor at the same time to suggest that
it may prove convenient to all concerned and may
serve to keep the size of each delegation as small
as possible if Your Excellency's Government and,
the Jovernments of France, Italy and Japan were
to be represented by their Ambassadors in London.

MJP -2- No. 635, October 24, 4 p. m. from London

It would furthermore be very desirable that there should be present at the Conference from the outset naval representatives or advisers of sufficient rank to speak authoritatively on behalf of their respective governments."

Foreign Office has already informed press that these invitations have been issued to the treaty powers. I understand that the Italian and French Governments will be sending representatives for bilateral discussions in the early future.

BINGHAM

RR: EEG

GRAY

October 24, 1935, 7pm.

AMELIBASSY,

LONDON (ENGLAND).

313.

Your 535, October 24, 4pm.

You are authorized to inform the British Government that this Government accepts the invitation to be represented at a conference to be held in London on the 2d of December pursuant to the provisions of the Washington and London naval treaties.

Please cable full text of the British Government's communication with the exception of the last paragraph quoted in your telegram under reference.

HULL

(HcD)

WE JCD:GAM

London haval

MJP

GRAY London Dated October 25, 1935 Rec'd 8 a.m.

Secretary of State,

RUSH

536, October 25, 11 a.m.

Department's 313, October 24, 7 p.m.

Following is text of first paragraphs of invitation dated October 24:

"His Majesty's Government in the United
Kingdom have been giving careful consideration
to the results of the preliminary bilateral
conversations which have been proceeding between
representatives of the signatory powers of the
Washington and London Naval Treaties to prepare
the way for a naval Conference. In view of the
express provisions of Article 23 of the Washington
Naval Treaty and of the corresponding article
in the London Naval Treaty, the effect of which
is, in the circumstances which have occurred,
(that?)
and the signatory powers must meet in conference
during the present year, and in view of the fact

that

-2- No. 536, October 25, 11 a. m. from London that this country has so far taken the initiative in arranging for three bilateral discussions, His Majesty's Government are prepared to summon a conference to meet in London on the 2nd December next. The purpose of the Conference would be to secure agreement on as many aspects as possible of naval limitation with a view to the conclusion of an international agreement which would take the place of the two naval treaties expiring at the end of 1936. It is hoped that, once agreement is in sight between the representatives of the signatory powers, an extension of the scope of the Conference may be possible so as to include representatives of the other :aval powers.

Two. I should be grateful if Your Excellency would be so good as to inform me as soon as possible whether the United States Government are prepared to be represented at the proposed Conference".

I propose to answer this invitation by a formal note based on the first paragraph of Department's 313, October 24, 7 p. m. and failing immediate instructions to the contrary, in delivering

MJP -3- No. 536, October 25, 11 a.m. from London this written reply I assume it is the Department's purpose that I convey orally the substance of the Department's 315, October 24, 9 p. m.

The Dritish precis of conversation referred to in my 522, October 17, 3 p. m. not yet received.

BINGHAL

W.7C: NPD

JR

PLAIN

October 25, 1935

AMEMBASSY,

LONDON (ENGLAND).

316. Twenty-fifth.

RUSH.

Your 536, October 25, 11 a.m.

As a precaution, we feel we should have had a reply to our 300, October 14, 6 p.m. You may indicate informally to the British Government that we intend to accept but before delivering formal acceptance we want to be sure no important preliminary questions are pending.

For your own information, we assume of course that the British are in agreement with us or they would not have issued the invitation. In view of the British statement that they wished a meeting of minds with us before calling a conference, we would like to clarify the situation with regard to the bases of agreement in our 300, October 14, 6 p.m., and the points raised in our 306, October 24, 9 p.m., beforeeformal acceptance.

HULL

WE JCD. GAM

London haval Conf.

REP

GRAY
London
Dated October 25, 1935
Rec'd 1:45 p. m.

Secretary of State, Washington.

538, October 25, 6 p. m. Your 316, twenty-fifth.

Entirely understood and British hope to arrange further meeting for Monday with Atherton and Anderson, in regard to your 300, October 14, 6 p. m. and 315, October 24, 9 p. m.

BINGHAM

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## TELEGRAM SENT

London naval

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

October 25, 1935 7 p. m.

AMELBASSY

LONDON (ENGLAND)

317.

FOR THE AMBASSADOR.

On my return I find British invitation for formal five party naval conference, December second. This as I understand it is not a mere continuance of recent conversations which were handled through normal diplomatic channels, but seeks to arrive at an agreement and actually to sign a multilateral treaty. In view of this I cannot quite understand the British suggestion for representation of each nation solely by its Ambassador to London, because in all similar precedents each nation has been represented by a special national delegation. Can you give me information or side-light on this; also on newspaper report that British dominions will be represented at conference; also any information as to who will represent Japan, France and Italy? Has it been made clear to British prior to our acceptance that they

agree

FS 2-No. 317, October 25, 7 p. m. to London agree to the stipulations in our cables Nos. 300, October 14, 6 p. m. and 315, October 24, 9 p. m. on naval details.

ROOSEVELT (WP)

U:WP:GLH NHD THE UNDER SECRETARY OF STATE

WASHINGTON

Dear Mr. President:

I am enclosing a copy of the telegram received from Ambassador Bingham in reply to your telegram of October 25th on the projected naval conference in London.

Enclosure:

Telegram No. 542, October 28, 8 p.m.

The President,

The White House.

MJP

PLAIN
London
Dated October 23, 1935
Rec'd 4:05 p. m.

Secretary of State, Washington.

541, October 28, 7 p. m.
Your 300, October 24, 6 p. m.; and
315 October 24, 9 p. m.

The following "precis of conversation" was communicated by the Foreign Office this afternoon. It refers to the enclosure of my despatch 1760, October seventeenth. "The following is a precis of the statement made by the British representatives at their meeting with United States representatives on October 28th in reply to the precis of the statement made by the United States representatives at the meeting of October 17th. (the references which follow are to the paragraphs of that precis.) Paragraphs 2, 3, 4 and 5. The British view is in agreement with that expressed by the Government of the United States. (This is without prejudice to the view which has been consistently held by His Majesty's Government that lower

qualitative

MJP -2- No. 541, October 28, 7 p. m. from London qualitative limits for the capital ship would have been preferable had it been possible to secure international agreement for them.)

Paragraph 6. The British suggestion for a minimum displacement limit for capital ships at approximately 20,000 tons must be understood as a purely tentative one. The object, with which it is understood the United States of America Government is in agreement, is to implement a cruiser qualitative limitation by preventing the construction of ships in excess of that limitation which are, nevertheless, not capital ships.

Paragraphs 7 and 8. The British views are in agreement with those of the United States Government.

Paragraph 9. Since no existing modern 8 inch gun cruisers become over-age for a very considerable period, the British Government would be prepared to accept a general agreement not to build 8 inch gun cruisers at the present time, without prejudice to the question of the ultimate replacement of the existing ships.

Paragraphs 10, 11, 12A, 12B, and 13. Since there

Show and the

MJP -3- No. 541, October 28, 7 p. m. from London.

there is no prospect whatever of an agreement on quantitative limitation by total tonnages in categories, the matters discussed in the five following paragraphs are, in the British view, somewhat academic. Subject to this consideration, however, the following remarks are offered.

Paragraph 10. The British representatives cannot offer any useful comment on the American Government's proposal for a transfer system for solving the cruiser tonnage problem, since its acceptability must depend principally on the actual amount of transfer to be proposed and the categories into which it would be proposed to transfer. The British view has always been that transfer into higher categories from a lower and transfer into the submarine category are generally undesirable.

Paragraph 11. Though the present Japanese attitude, so far as we know it, is opposed to any arrangement for an agreement limiting naval construction by means of unilateral declarations for six years, it is still the intention of the United Kingdom Government to put forward this proposal for discussion in London, and only to

abandon

MJP -4- No. 541, October 28, 7 p. m. London abandon it if it is definitely rejected after further discussion.

Paragraph 12A. In the British view, it would be unfortunate if the American Government insisted on the view expressed in this paragraph that over-age and under-age tonnage must all be counted together. In particular, the over-age destroyer tonnage which the United Kingdom Government have in mind is only necessary for antisubmarine purposes, and to have to provide this tonnage in under-age destroyers would be unnecessarily expensive. A more satisfactory solution, from the British point of view, would be reached if all over-age tonnage were excluded from any future quantitative agreement. By this means the limitable fleets could be confined to under-age tonnage and the rate of replacement construction would be correspondingly reduced.

Paragraph 12B. While the United Kingdom
Government see no objection to seeking a general
solution of the problem of destroyer qualitative
limitation by means of limited transfer, their
information is that neither the French nor the
Italian

MJP -5- No. 54 , October 28, 7 p. m. from London

Italian Government have any intention of admitting a distinction between the cruiser B. and destroyer catergories. So long as other signatory powers refuse to admit this distinction, the United Kingdom Government must themselves refuse to be bound by it.

Paragraph 13. In the absence of any prospect of quantitative limitation by total tonnages in categories, a ratio between the submarine and destroyer tonnage remains an academic matter. The British view would probably be that, in negotiating figures to be inserted in the treaty, it would be undesirable to adopt a definite numerical ratio of this kind. If, however, the proposal were directed towards transfer between the two categories, within tonnage limits which had been agreed for insertion in a future treaty, there would be less objection to a hard and fast ratio.

Paragraphs 14, 15, 16, and 17. The British views are in agreement with those of the Government of the United States."

The British stated that they agreed that the principle of parity as between the British and American navies should be continued unimpaired. This was a reiteration of a voluntary and previous statement to this effect made by them on October 17 when they stressed their

desire and understanding that nothing would in any circumstances be done by either country to disturb the continuance of the principle of parity. Referring to the prospective conference, the British stated that they were informed by the Japanese Charge that if an attempt were made to proceed at the outset with qualitative limitation, they would come up against a blank wall, and that therefore it would be necessary first to undertake arriving at an agreement on quantitative limitation at the same time as qualitative even though this should prove unsuccessful. The British indicated their belief that then the Japanese would be prepared to discuss qualitative limitation. Referring to the British proposal for an agreement limiting naval construction by means of unilateral declarations for six years, the British expressed the belief that this would probably be opposed by France and Italy, as wellass by Japan. It is evident the British feel there is slight prospect of any agreement on quantitative limitation. In referring to the continuance of the principle of parity as between Britain and America, the British stated that if there were no other quantitative agreements parity should nevertheless continue, and that probably the only feasible way to assure it would be for a full, complete and frank interchange

-7- No. 541, October 28, 7 p. m. from London

interchange of information between the two countries as to prospective and actual naval building. They referred to the importance of a possible agreement by all nations to give such advance notice even though no other quantitative agreement could be arrived at. They also stressed the importance of a continuance by the Japanese and other countries of such notification of contemplated building as is required by existing treaties, should no other quantitative agreement be possible.

BINGHAM

HPD

2 PSF: London Naval Conf.

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

London
Dated October 28, 1935
Rec'd 6:50 p.m.

Secretary of State,

Washington.

542, October 28, 8 p.m.

PERSONAL FOR THE PRESIDENT.

The following are entirely British views authoritatively recounted to me and are transmitted in reply to your inquiry (No. 317, October 25, 7 p.m.).

In the British view, the projected Naval Conference, the initiative for calling which was left with the British and the convening of which they consider mandatory under the Washington and London Naval Treaties, is an expedient dictated by these and other circumstances.

The British obviously do not expect that this conference will achieve important positive results. They regard it rather in the nature of a rear guard action to salvage as much as possible of the benefits of the terminating treaties, and as a means of permitting a continuation of recent conversations under the terms of reference of the treaties which expired on January 1, 1936, thus preventing the Japanese from escaping from this treaty obligation

JR -2- 542, October 28, 8 p.m., from London.

obligation and only entering into any new conversations after January 1, 1936, under conditions which they themselves impose. While some measure of qualitative progress may be made, any quantitative agreement is by no means expected to go beyond the French pre-axis thesis, and in this latter eventuality the British would not be willing to tie themselves up for more than six months. They do not expect that the Japanese will make a formal agreement even on such a limited quantitative basis as this. However, if the Japanese will agree even to continue notification as required by existing treaties, the British would regard that as a positive contribution.

I am informed that the considerations which commended themselves to the British in suggesting that the discussions be conducted under diplomatic auspices are as (\*): (Ofie.) This routine method of handling the question would reduce to a minimum false hopes of extensive accomplishments; (Two.) It is expected that the discussions may be protracted, and this routine method will in the British view, permit a minimum of publicity. The conference will open on December 2nd and after a series of meetings will adjourn for the Christmas holidays. The interval before a formal reassembly of the

JR -3- 542, October 28, 8 p.m., from London.

the conference will permit a continuance of recent conversations, mainly arising out of the Anglo-German Naval Agreement. Consultations with other European Naval Powers, such as Germany and Russia, may even at some point be considered desirable.

(Three.) In view of public opinion in Japan it would be difficult for the Japanese Government to send a national delegation. Although the Japanese Government has not formally accepted the invitation, Hirota has informed the British Ambassador in Tokyo that if Ambassador Matsudaira does not reach London by December 2, the Japanese Ambassador in Paris will take his place temporarily.

(Four.) In view of the Italian crisis, the British consider the routine method the more desirable, particularly because of the limited results anticipated.

Important publicity in the British view was
justified in the other naval conferences where the
possibilities of achievement were far greater than in
the present instance. The method suggested by the British
would not, in their view, in any way prevent the visit to
London of the Cabinet Ministers of the respective
governments

JR -4- 542, October 28, 8 p.m., from London.

governments for consultation, if during the course of the conference the deliberations, particularly from a European angle, assume unforeseen importance. Thus, while I am given to understand that the French Ambassador will head the French delegation, this does not shut the door to the possibility that the French Minister of Marine might, if circumstances require it, make a flying visit to London for discussion and clarification of the issues involved in the British-German-French naval question. I also understand that the High Commissioners of the Dominions in London may, in their governments! decision, attend the formal meeting. No further reply has been received from the Italians beyond their statement of a fortnight ago that they would attend a conference.

The foregoing are British views on which I have no comment to make; but as regards the general subject of naval negotiations, it has been my personal attitude for the last eighteen months that it would prove unprofitable to us to attempt to force issues or the pace, and subsequent events have not seemed to indicate that a revision of this attitude is now called for. If, as I understand it, we are definite as to our position, and there is no reason why we cannot, if necessary, announce our

JR -5- 542, October 28, 8 p.m., from London.

our position at any time, then I feel that at this juncture it would be a mistake from more than one point of view to give the appearance that we are prepared to negotiate concessions when in fact we are determined—and I think rightly—to hold to our main purpose.

My 541, October 28, 7 p.m., makes it clear that we have now for all practical purposes reached complete agreement with the British on the stipulations contained in the Department of State's cables Nos. 300, October 14, 6 p.m., and 315, October 24, 9 p.m., on naval details.

Furthermore, it will be noted that the British particularly stress in their reply their concurrence in the principle of parity. I have also forwarded to the Department of State a copy of a memorandum of conversation indicating that Mr. MacDonald's assurances of last year to me on ratios remain the policy of Mr. Baldwin's Government. Thus, we are in substantial agreement both as regards principle and relevant details.

Incidentally if, as is expected, the National
Government is returned to power, its mandate for rearmament will greatly strengthen Great Britain's hand
in its dealing with Japan. It will at the same time,
in due course, force Great Britain to take a more active
attitude

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JR -6- 542, October 28, 8 p.m., from London.

attitude, vis-a-vis Japan on naval questions. If we bide our time we will not be singled out for Japanese antagonism and Japan will have the benefit of knowing that absolute abandonment in practice of the ratio system will meet resistance from not one but both interested parties.

BINGHAM

SMS : GW

\* apporent omeranin

Bx 157

PSF: London Naval Conference

DEPARTMENT OF STATE

October 31, 1935

My dear Mr. President:

I am enclosing herewith a draft of a telegram to Judge Bingham which I have received from Norman Davis. I have made a few minor changes in his draft and I feel that it would be entirely appropriate for you to send it in its present form, if you chose to do so.

Faithfully yours,

CordielAuce

Enclosure:
 Draft of telegram
 to Amembassy, London.

The President,

The White House.

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Past page = 3

LEGRAM

## The Mhite House Mashington

Hovember 1, 1985,

Telegraphic accoration for Helatyre for imediate attention of Bestetary of States

, our manifestive becomestive a mount of a behavior to

The President today approved Secretary Bull's note of October thirty first with draft of a deblegram to Judge.

Bingham STOP The President authorizes the dispatch of this cablegram to Judge Bingham with only one correction period.

In the last sentence of the last paragraph of the telegram draft comes make read colon x x x x for you to assume domes in addition to your many exacting duties and responsibilities as our accredited representative to Great Britain comes the SOLE responsibility and burden ets unquote STOP

STEPHEN BARLY

STREET, CHARLES OF

The Physicanics

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Riosem

My dear Mr. President:

I am enclosing herewith a draft of a telegram to
Judge Bingham which I have received from Norman Davis. 9
I have made a few minor changes in his draft and I
feel that it would be entirely appropriate for you
to send it in its present form, if you chose to do so.
Faithfully yours,

tion and surselves, so well so the other governments

Cordell Hull

(President's handwriting)

"Sec. State or Undersecretary.

O.K. - Send

FDR

Enclosure: Draft of telegram to Amembassy, London.

One added word on last page".

The President,

The White House.

The question of our representation in the forthcoming naval conference must be determined largely
by how seriously the conference is to be taken by the
British and ourselves, as well as the other governments
concerned, and by what the aims and scope of the negotiations are to be and also the desire and prospects
for ultimate agreement.

If the conference is being called by the British at this time mainly as a matter of strategy and in order to comply formally with provisions in the present treaties, but without much expectation of success or a determined effort to reach agreement on a new naval treaty to replace existing treaties, I agree that it would be unnecessary and perhaps inadvisable to send a special mission to London for this purpose. I also question the advisability in such a case of sending our highest ranking naval officers as advisers. On the other hand, if there is to be a serious effort on the part of the British as well as ourselves to negotiate and enter into a new naval treaty with Japan, and if possible other naval powers, which is most important in order to avoid a disastrous naval race, there are controlling reasons for designating a special national delegation to negotiate and execute a multilateral treaty of such a nature.

I realize, of course, that there are certain disadvantages and embarrassments inherent in a formal Conference. I do not feel, however, that these difficulties can be avoided by calling a conference and then trying to make it appear as something else, and particularly if it is to result in a new multilateral treaty.

We have understood from your previous despatches that, while the British think there is little chance of agreement on quantitative limitation, they do state they intend at least to make an attempt in that direction and they do think there is a good chance of reaching agreements such as qualitative limitation and possibly building programs and various other problems involved. If they do not think this is possible and do not intend to make every effort to that end, it is difficult to understand why they would have assumed the responsibility of calling such a conference and why they would have indicated the possibility of extending the conference to include other naval powers. Moreover, I understand the Japanese are sending a special delegation.

I feel that we must not only make the greatest possible effort to negotiate a new naval treaty, but that we should in every way make our desire to do so manifest. While it is important that our public must not be led to expect too much from such a conference, it is equally important for us to do nothing that would make it appear that we are taking this naval conference casually and less seriously than we have taken previous naval conferences and thus run the risk of being blamed for failure.

In view of all the circumstances my judgment is that as a matter of principle and policy it is advisable to follow the well established precedent of appointing a special delegation to attend the conference and negotiate a treaty. From your own standpoint I frankly feel that it would be inadvisable for you to assume, in addition to your many exacting duties and responsibilities as our accredited representative to Great responsibility and burden of conducting the naval negotiations with all of the naval powers.

London naval

THE UNDER SECRETARY OF STATE
WASHINGTON

November 5, 1935

Dear Mr. President:

Since my telephone conversation with you this morning the enclosed reply from Ambassador. Bingham has reached the Department and I am forwarding it to you at once.

Faithfully yours,

Enclosure:

Telegram No. 553, November 5, 1935.

The President,

The White House.

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

London

Dated November 5, 1935

Rec'd 11:25 a. m.

Secretary of State,

Washington.

RUSH

553, November 5, 1 p. m. PERSONAL FOR THE PRESIDENT.

In your telegdam 317, October 25, 7 p. m., you remind me that you have not been able to be in full touch with the naval situation here during your absence from Washington, or in other words, since the approximate time I discussed these naval matters with you on the White House veranda last September. During this interexchanges on naval val/matters have taken place between the British Foreign Office and this Embassy, and have terminated for all practical purposes in a successful accord so that the British and American Governments are now in substantial agreement on naval matters, both as regards principle and relevant details. Later, I personally sought here authoritative information on the purposes and possibilities for the scheduled Naval Conference, and outlined them to you at some length in my telegram 542, October 28, 8 p. m.l, as requested in your personal message to me.

In view

FS

In view of the many conflicting considerations enumerated in your latest telegram, No. 325, November 1, 3 p. m., I feel in duty bound to set forth anew certain aspects of the question as of possible value to you in reaching a final decision.

With the new Foreign Secretary, Sir Samuel Hoare, under whose auspices the recent satisfactory naval conversations with this Embassy have taken place, and in the given circumstances, I see no adequate grounds for doubting the British statement to me that the projected Naval Conference, the initiative for calling which was expressly left with the British with American consent at the termination of last December's conversations, is convened, (one) because the British Government considers it mandatory under the existing treaties, and (two) in order to salvage as much as possible from those treaties. At the same time, it is recognized that the inexorable facts of the situation are that the possibilities of salvage are small; that there is a conflict of policy between Japan on the one hand, and the United States and Great Britain on the other, so wide as to nullify any "serious effort on the part of the British as well as ourselves to negotiate

and

PS 2-No. 553, November 5, 1 p. m. from London and enter into a new treaty with Japan", unless we are prepared to make concessions which in fact would constitute a reversal of our national policies.

End Section One.

WWC: PEG

BINGHAM

MED
This telegram must be closely paraphrased before being communicated to anyone (b)

LONDON

Dated November 5, 1935

Rec'd 12:30 p.m.

Secretary of State, Washington

RUSH 553, November 5, 1 p.m. (Section two). The Japanese Government has already made it clear that they are not prepared to consider quantitative limitation except under terms which would be unacceptable to the British and which we have consistently reiterated are unacceptable to us. Furthermore, the Japanese Government has stated in writing to the British Government, as already reported by me, (one) that they are unable to agree to consider only qualitative limitation apart from quantitative; and (two) that they are not disposed to consider the policy of (?) building programs as proposed by the British. Thus, although the Japanese have consented to come to the conference, upon their own clearly declared platform, prospects of substantial (?) with them are practically hopeless. I can but assume that your public statement of September 29th stands, and that we are not propared to recede from our position regarding ratios with Japan. Consequently, with the elimination of the practical Anglo-American difficulties already achieved, there is in

reality

MED - 2 - #553, November 5, 1 p.m. from London reality little that can be done as regards the three major naval powers at the forthcoming conference except in so far as the Japanese will agree to maintain, voluntarily or otherwise, for a limited period, certain relatively minor aspects of those treaties.

Therefore, the negotiations at the forthcoming conference will in practice develop mainly into a series of negotiations and exchanges of views between the European nations, primarily with a view to preventing a naval race in Europe, and it is in this connection that Germany and Soviet Russia might at some point be consulted. While it is in my view important that the United States should be kept abroast of and fully informed of these negotiations, in practice I question whether it would be advantageous for us to be drawn into the detailed exchanges of views.

(End section two.)

BINGHAM

CSB

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

London

Dated November 5, 1935. Rec'd 1:25 p.m. 4th.

Secretary of State,

Washington.

RUSH

553, November 5, 1 p.m. (Section Three)

It is obviously in the British (?) interest to exert all possible pressure to secure limitation of naval armaments among the European powers.

Therefore, with the above considerations in mind,
I am in full accord with the first paragraph of your
telegram No. 325 Nevember 1, 3 P.M., that "the question of
our representation in the forthcoming Naval Conference
must be determined largely by how seriously the Conference
is to be taken by the British and ourselves, as well as
the other governments concerned, and by what the aims
and scope of the negotiations are to be, and also the
desire and prespects for ultimate agreement". And
with this as a premise, I am driven to the conclusion,
which is in accord with that pertion of your message,
"that it would be unnecessary and perhaps inadvisable to
send a special mission to Lendon for this purpose".

BR -2- No.553 Nov. 5, 1 P.M. from London

I do, however, feel that Admiral Standley's appointment is highly desirable, not merely as an advisor but as a delegate with such authority as he was given in the preliminary discussions of last autumn.

Since Ambassador Matsudaira cannot be in England for the early wooks of the Conference, and the Japanese Ambassador in Paris has asked to be excused from heading the Japanese Delegation because he only speaks French, the Foreign Office informs me that the Japanese Government will send Admiral Nagane supported by former Ambassador Nakai to represent Japan. Since, however, the Japanese Government has pointed out, it will prove impossible for this Japanese representation to reach London by December second, I understand from the Foreign Office that the opening of the Naval Conference is to be postponed to a later date in December. (End Section Three)

BINGHAM

CSB

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

London
Dated November 5, 1935
Rec'd 2:10 p.m.

Secretary of State

Washington

RUSH

553, November 5, 1 p.m. (Section four)

Since I am on the ground and have been responsible for the most recent negotiations with the British, it would seem that my knowledge of the subject and of the circumstances should be frankly and fully stated for your serious consideration. While my duties are exacting, they are not so confining or so exacting as to prevent me from giving the time, the thought and the effort required by such an important matter as our naval arrangements, especially since it constitutes at the present time the principal point of cooperative contact between my Government and the Governments to which I am accredited. I quite agree that our efforts at the conference should be unrelenting and that any appearance of casualness on our part should be as assiduously avoided as the evoking of false expectations; but the fact remains that as

regards

AU -2- #553, November 5, 1 p.m. (Sec. 4) from London regards the three major powers the prospects of repeating the substantial gains achieved by the Washington and London treaties are little more than

For the first time in my life I find myself debating a course of action -- in this case proposed not by me but by the British Government -- which nevertheless may be open to a mistaken interpretation that I have some personal motive. The fact that I have in these circumstances defended such a course of action is an indication of the strength of my conviction that it is in the best interests of the United States. So important do I deem it that I am quite prepared to take the first available boat to the United States and discuss this situation with you personally, should you desire it. (End)

BINGHAM

negligible.

[To ambassale Buyham]

I have given careful study to the views you have one.

I have given careful study to the views you have presented regarding the forthcoming Naval Conference and fully appreciate the earnestness and sincerity with which you have presented them and I also appreciate the useful service you have rendered in the preliminary diplomatic discussions with the British preparatory to this Conference. I fear, however, that you do not visualize from there all of the angles to the problems that confront me in the consideration of this matter. In the first place, I may say there are no personal equations but merely questions of policy and principle. As you are aware, there has been since the beginning of my administration a specially organized group dealing with all questions relating to armament, the members of which are fully conversant with the many intricate technical and political questions involved and have dealt with all negotiations.

After the preliminary bilateral discussions with the British in June and July of last year in which you participated and after the Japanese had agreed to meet in the following October for discussions with the British and ourselves on all aspects of the naval question, it was decided for the reasons then indicated to you to send a special delegation to London for this purpose. You were invited to go on the delegation but felt that you could be more useful in other ways. As a result

result of the negotiations carried on by this delegation last Fall it was agreed by the three powers concerned, upon the adjournment of their discussions, that there should be a further exchange of views through diplomatic channels with regard to the questions that had to be left in abeyence and thus to prepare the way for a subsequent calling by the British of a conference of the five naval powers. That conference has now been called. Furthermore, the specially organized group that went to London last Fall has been dealing from this end with the diplomatic discussions which you have been having with the British and has also kept in contact with the Japanese.

while we may not wish to participate in naval negotiations which the British may have the European naval powers, it is difficult for them to conclude a European naval agreement independent of any agreement with us and possibly the Japanese.

While the Japanese have said that they would not agree to qualitative without quantitative limitation, they have indicated a desire for thorough discussions, which may possibly include political questions, and they have also appointed a large and important special delegation of twenty persons which, in itself, helps to determine the course we must pursue.

The essence of the whole situation, to my mind, is whether we have to deal with a meeting of a scope that would only include the naval relations between the United States and Great Britain

or whether we have to be prepared to deal with a conference of a comprehensive character which would affect our relative positions with other and, perhaps, all important naval powers in the world. That question has been answered largely for us by the attitude Japan has taken towards the conference by the appointment of such an important delegation, and the probability that Japan will raise important issues of a naval and political nature.

In coming to the conclusion, as indicated in my telegram to you of November first, that it would be advisable to follow the long-established practice of appointing and sending a special delegation to represent us in a multilateral conference, I had to take into consideration as a fact the existence of the organization that has been dealing with this question from the beginning. I felt that if we should depart from the usual practice and also should disregard those who have been dealing with this question, it would be difficult to explain.

For your personal information, Norman Davis, who is at the head of our delegation on disarmament, has repeatedly expressed a willingness to eliminate himself and a desire to be free to attend to his own affairs and he has particularly insisted to me that if you wish to handle the matter he does not want in any way to oppose your wishes. On the other hand, the Navy, including Admiral Standley, have been most insistent that, as the group working under Davis has worked so satisfactorily with the Navy and is so conversant with all aspects of the problem, particularly from the Japanese, as well as the British, angle, I should send Davis back as before at the head of the delegation. I myself feel that under the circumstances we cannot afford to do without him.

In view of our close personal friendship, I have endeavored to convey to you a full understanding of what has brought me to the conclusions I have reached. I, of course, have the greatest confidence in your good judgment and devotion to the public interest and I have that you will understand the necessities of the situation and help to see the hours. Cooperate in a mostling the way for me in this complicated and difficult attention where we need all formula help.

You may desire to Say Something the domain when we need all about other duties that may must be about other duties that may must be about other duties that may must be present charters.

When him in the present charters.

London naval Conf

THE UNDER SECRETARY OF STATE
WASHINGTON

November 18, 1935.

Dear Mr. President:

In accordance with your request, I am sending you herewith a draft telegram to

Ambassador Bingham. We have endeavored to put in it the various thoughts which you expressed to me on Saturday afternoon.

As you are seeing Norman Davis at two o'clock, it may be that you will wish to discuss the draft with him, but, in view of the urgency of the matter, I would suggest that, if possible, the message should go to Bingham some time during the day.

As of interest in this connection, I attach a telegram dated today from London, which

The President

The White House.

which states at the outset that the Foreign Office intends to follow the procedure adopted at the 1930 Naval Conference.

William Rulas

BS EAST BEVENTY-NINTH STREET Novel London
NEW YORK

November 25, 1935.

Dear Mr. President:

I am enclosing draft of my speech to be made at the opening of the Naval Conference. On account of the shortness of time, as we are sailing Friday and the speech must be cabled over beforenand, I would appreciate it if you could call me by telephone with regard to any suggested changes in the speech. My office telephone number is Hanover 2-5695 and my residence number is Butterfield 8-1395.

I suggest that it would be worth your while to take the time to read the article in the Magazine Section of last Sunday's New York Times, by Hugh Bayas, from Tokio. He is the ablest and most reliable correspondent in the Far East and in this article he gives what I think is the best analysis of the Far Eastern question I have read.

With warmest personal regards and hoping that you are having a good rest, I am, as ever,

Faithfully yours,

The Honorable Franklin D. Roosevelt, Warm Springs, Ga.

P. S. Since the British Government practically received a mandate in the last election to increase cruiser tonnage they may consider my speech as rather antagonistic. Superior Address

ADDRESS OF CHAIRMAN OF THE AMERICAN DELEGATION TO THE LONDON NAVAL CONFERENCE.

December 6, 1935.

## Mr. Chairman:

In searching for appropriate words in which to express
most clearly the hopes and aspirations of the American Government and people in the field of naval disarmament, I believe
that I can do no better than to read to you the letter of
guidance which the President addressed to me fourteen months
ago when I sailed to participate in the preliminary conversations between the Governments of the United Kingdom, Japan and
the United States, preparatory to a conference to be held this
year to negotiate a renewal of the London treaty.

"In asking you", - the President wrote me on October 5, 1934,- "to return to London to continue and expand the conversations begun last June preparatory to the Naval Conference in 1935, I am fully aware of the gravity of the problems before you and your British and Japanese colleagues. The object of next year's Conference is "to frame a new Treaty to replace and carry out the purposes of the present Treaty." The purposes themselves are "to prevent the dangers and to reduce the burdens inherent in competitive armament" and "to carry forward the work begun by the Washington Naval Conference and to facilitate progressive realization of general limitation and reduction of armament."

" Him Washington Naval Conference of 1922 brought to the world the first important voluntary agreement for limitation and reduction of armament. It stands out as a milestone in civilization.

- " It was supplemented by the London Naval Treaty of 1930, which recognized the underlying thought that the good work begun should be progressive in other words, that further limitation and reduction should be sought.
- " Today the United States adheres to that goal.
  That must be our first consideration.
- The Washington and London Treaties were not mere mathematical formulae. The limitations fixed on the relative Naval Forces were based on the comparative defensive needs of the Powers concerned; they did not involve the sacrifice of any vital interests on the part of their participants; they left the relative security of the great Naval Powers unimpaired.
- The abandonment of these Treaties would throw the principle of relative security wholly out of balance; it would result in competitive Naval building, the consequence of which no one can foretell.
- I ask you, therefore, at the first opportunity to propose to the British and Japanese a substantial proportional reduction in the present Naval levels.

  I suggest a total tonnage reduction on twenty per cent below existing Treaty tonnage. If it is not possible to agree on this perdentage, please seek from the British and Japanese a lesser reduction fifteen per cent or ten per cent or five per cent. The United States must adhere to the high purpose of progressive reduction. It will be a heartening thing to the people of the world if you and your colleagues can attain this end.
- "Only if all else fails should you seek to secure agreement providing for the maintenance and extension of existing Treaties over as long a period as possible.

I am compelled to make one other point clear. I cannot approve, now would I be willing to submit to the Senate of the United States any new Treaty calling for larger Navies. Governments impelled by common sense and the good of humanity ought to seek Treaties reducing armaments; they have no right to seek Treaties increasing armaments.

- Excessive armaments are in themselves conducive to those fears and suspicions which breed war. Competition in armament is a still greater menace. The world would rightly repreach Great Britain, Japan and the United States if we moved against the current of progressive thought. We three Nations, the principal Naval Powers, have nothing to fear from one another. We cannot escape our responsibilities, joint and several, for world peace and recovery.
- I am convinced that if the basic principle of continued naval limitation with progressive reduction can be adhered to this year and next, the technicalities of ship tonnage, of ship classes, of gun calibers and of other weapons, can be solved by friendly conference. I earnestly hope that France and Italy, which are full parties to the Washington Treaty, will see their way to participate fully in our efforts to achieve further naval limitation and reduction.
- " The important matter to keep constantly before your eyes is the principle of reduction -- the maintenance of one of the greatest achievements of friendly relations between Nations.

Sincerely yours,

(Signed) FRANKLIN D. ROOSEVELT \*

The views set forth in this letter are still expressive of what the United States would like to see accomplished. Therein, there has been no change. But it would be unrealistic not to recognize that the situation existing at the time the letter was written has undergone considerable modification. The conversations last year were based on the London Naval Treaty, due to expire by automatic limitation at the end of 1936. Since then the Washington Treaty has been denounced and will expire at the close of next year; certain fundamental principles on which both treaties rest have been questioned; in the wake of the political deterioration in various parts of the world, there is a tendency to increase rather than to reduce naval armaments; and the divergences which have developed are such as to increase the difficulties which confront us in reaching agreement for a comprehensive naval limitation.

The first step towards overcoming these difficulties is
to face them frankly. The next step is to concentrate on
those fundamental elements of mutual interest and accord
which brought us together here and which unite us, despite
the real differences that have developed.

Our nations are apparently at one in desiring the continuance of naval limitation and reduction by international treaty a principle adopted for the first time in history in 1922 and

successful for a dozen years beyond any means of measurement. At the time of the Washington Conference we were still in the shadow of the World War. War weary peoples who had experienced the consequences of strife and discord were longing for peace and recovery and praying for an era of stability and goodwill. The Washington Treaties and the later London Treaty were in harmony with this profound wish. Through them, mankind was freed from the threatening nightmare of a race in naval armaments. Why should we now abandon the invaluable mutual benefits conferred on the participating peoples by the Naval Treaties, when the world is just beginning to emerge from the economic depression which has held it in its grip for the past six years and when it is all the more necessary not further to disturb international relationships and disrupt economic recovery through a naval race. No nation desires to enter such a race - no Government can afford the responsibility for inaugurating it. Out to during the coming weeks is to make it unnecessary.

One means of accomplishing this would be to agree upon a renewal of existing treaties with such modifications as circumstances may require. Failing this we should continue to exchange our views in all frankness in an effort to discover other paths to mutual understanding. Thus we should be able to reach an agreement which would at least prevent a

paving the way for a later more permanent and comprehensive treaty. Whatever our approach, our objective must be to insure that in the difficult and trying years ahead of us the essential balance between our fleets, which during the past years has proved such a guarantee of peace and stability, should be maintained by means of mutual agreement rather than by expensive and dangerous competition which can profit no one but must harm all.

On behalf of my Government I declare emphatically that
the United States will not take the initiative in naval competition. We want no naval increase. We want limitation
and reduction. Our present building program, which is essentially one of replacement, is consistent with this desire.

For ten years we ceased naval construction. Under our present
plans the strengths allotted to us by the London Treaty as
of the end of 1936 will not be attained until 1942. We have
no wish to exceed those Treaty limits. Indeed, we have sought,
and still seek, to lower them by proportional reductions. The
United States, after going through a terrible depression, now
sees daylight ahead and is definitely on the way to recovery.
It is anxious to devote its energies and material resources to
the upbuilding of the country.

However great the difficulties, we are here to help remove them and with goodwill and patience, I am confident that we can find a solution. I pledge the American Delegation's full cooperation toward this end.

NHD: EH

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November 26, 1935.

Dear Mr. President:

When I sent the letter to the Secretary of
State, a copy of which is enclosed herewith, I included
a copy for you. However, as you may be at Warm Springs when
it arrives, I am sending this direct to you, as I should
like for you to read it because it gives the reasons
which led me to form my conclusions in connection with
the coming Naval Conference.

As ever,

Sincerely yours,

RobertwRugham

The President, The White House, Washington. London, November 21, 1935.

My dear Mr. Secretary:

These few lines will reach you just before the opening of the Naval Conference, at which time my direct responsibility here regarding this subject temporarily ceases. Perhaps it may be of some value to you to have before you a brief outline of the situation as I now see it.

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As you know, I have for many months held the opinion that Time was on our side, and that if we would but await with patience the maturing of events, we would find the British turning to us and our general position greatly strengthened. On the other hand, if we attempted to force issues or the pace, we would merely defeat the ends which we hoped to achieve. Those ends, in the circumstances, were, first, to preserve the principle of Anglo-American naval parity and to reach an Anglo-American understanding respecting/

The Honorable

Cordell Hull,

The Secretary of State,
Washington.

respecting technical naval matters; secondly, to preserve the <u>de facto</u> if not the <u>de jure</u> system of ratios vis-à-vis Japan. As regards the first problem, although the bilateral conversations last spring and fall proved unfruitful, when the time was ripe the British came to us, and we reached a satisfactory agreement in the autumn. As regards the second problem, it has seemed to me desirable from every point of view that we should again bide our time so that we should not have to bear the entire onus of a policy which the British intend to maintain as well as ourselves. It was with this in mind that I concluded my 542, October 28, 8 p.m., with the following paragraph:

"Incidentally, if, as is expected, the National Government is returned to power its mandate for rearmament will greatly strengthen Great Britain's hand in its dealings with Japan. It will at the same time in due course force Great Britain to take a more active attitude vis-à-vis Japan on naval questions. If we bide our time, we will not be singled out for Japanese antagonism and Japan will have the benefit of knowing that its abandonment in practice of the ratio system will meet resistance from not one but both interested parties."

Concurrently there occurs a resurgence of British prestige and power on the Continent, a resurgence

which/

which Mr. Baldwin and Sir Samuel Hoare have done much to bring about and which they intend to use. In their minds, they conceive that many of Britain's difficulties in the past decade have arisen from the decline of British prestige and the absence of a forceful policy on the part of the British Government, and they intend to reinforce their, word through rearmament and to adopt a firmer tone in international dealings.

It was in the light of these considerations that the British used the initiative left with them to call a Naval Conference, and thereby took the main responsibility for the subsequent negotiations on their own shoulders. Since for all practical purposes the difficulties between Great Britain and the United States had been eliminated, I felt that it was the course of wisdom to let the British assume the burden of meeting Japanese antagonism, which incidentally had already been aroused through the Leith-Ross-Japanese War Office controversy regarding Chinese currency measures. In the natural order of things, the burden of negotiation would have carried with it the burden of suspicion in Japan. Hence, at least by comparison, our position with Japan would have been improved. Furthermore, in the long run, faced with the resolve of Great Britain, backed by us, the

Japanese/

Japanese might well be brought to question the desirability and efficacy of their intransigeance.

At the same time, the British would have had to be the spearhead also in a series of very difficult negotiations with the European Powers, in which it is in the highest interests of Great Britain to exert all possible pressure to secure limitation of naval armaments among the European Powers. While it is important that the United States should be kept currently informed of these negotiations, it does not seem necessary that we should actively participate and negotiate these exchanges.

These were the considerations which made me welcome the British suggestion in their invitation that we have a routine representation at this Conference, which, after all, can do little as regards the three great naval Powers beyond salvaging certain relatively minor features of the Washington and London Treaties.

The Administration decided not to adopt this course but to send a large national delegation which implies, certainly to the public mind in all interested countries, active and full participation in all and every phase of the negotiations. And inevitably the weight

of Japanese pressure, which the British would have borne in major part, will now be distributed between Great Britain and the United States. In fact, the emphasis which we have placed on the Conference, both at home and abroad, by the sending of a delegation of such national eminence and strength, will act as a deterrent to the British in meeting Japanese pretensions in the first instance, since our delegation will be an appropriate instrument for that purpose.

Perhaps the Administration has chosen the wiser policy. Possibly it is better that Japan understand that the United States is in full discord with her pretensions. Perhaps we can afford the luxury of continuing to bear the main burden of Japanese suspicion. Nevertheless, until Time proves that thesis, I am of the belief that from the international point of view it would have been wiser to let the British Cabinet assume the main onus of facing the demands of a strong Japanese Navy and Army controlled delegation.

Please in no way, Mr. Secretary, think that I do not realize, or that I underestimate, the many internal political/

political motives which played a part in the Administration's decision, or that I am in any way attempting to do more than interpret to you those considerations which I have had in mind in drafting my recent telegrams from London. And I feel sure I need not repeat what I said in my telegram of today, that I remain ready, as do my staff, to render every possible service to the American delegation in their difficult negotiations of the coming weeks.

Sincerely yours,

(Signed) Robert W. Bingham.

PSF Londer have Cong.

December 6, 1935.

Dear Mr. President:

Your letter of November 23rd has just reached me, and I thank you heartily for it. I had already sent a letter both through the State Department for you, and a copy directly to you, explaining the reasons which impelled me to take the position I took in connection with the Naval Conference. I felt both my loyalty to you as my Commander in Chief, and my deep and abiding personal loyalty to you, made it imperative for me to tell you the truth as I saw it. This I have always done and this I shall always do, as a matter of course.

This also makes it equally imperative and certain that I shall give the best I have in me in trying to carry out any purpose or plan which you may have decided upon, and that I shall give this naval delegation whatever aid it is possible for me to give.

What I particularly want you to understand is that my position was wholly impersonal and based upon my belief as to the method by which the best results could be secured. My personal relations with Norman Davis are, and have always been, entirely friendly, and in his work heretofore I have supported him to the best of my ability in every phase and all the time, and I shall proceed now in exactly the same spirit and to the

same end.

As the pouch goes tomorrow, I shall not attempt to answer your three questions upon the Italian situation in this letter, but shall write you fully by the next ship thereafter.

As always,

Sincerely yours,

Robert Bring home

The President, The White House, Washington. PSF Lonen name Cong. - 1935

Claridges, London,

December 20, 1935.

Dear Mr. President:

Two weeks ago today we arrived in London and there has been ample time to take stock of the situation as between the Embassy and the Delegation. In the circumstances, as you can readily imagine, I have kept an eye open for trouble and I have been equally watchful with regard to our relations with the British Delegation. On the way up from Southampton to London I went over the situation very frankly with Ray Atherton. The Ambassador and Mrs. Bingham met us at the station on our arrival in London and your three Delegates called upon them at the Embassy within an hour after we had reached the hotel. Both Mr. and Mrs. Bingham were most cordial and there was not the slightest trace of a lack of friendliness on either side. Since then Atherton has been with us constantly, attending most of the full meetings of the Conference and seems to me to have done everything that he could to be of help, both officially and socially. The Ambassador had planned to give a large reception in honor of the Delegation, but, as you

The President

The White House.

you know, this had to be cancelled on account of Court mourning. Whether it is cancelled or merely postponed, I do not yet know, but, at any rate, Bingham is giving a luncheon today at the Embassy for our Delegation.

More important, however, than our relations with the Embassy is the decidedly cooperative spirit on behalf of the British Delegation. From the moment of our first call at Admiralty House upon Lord Monsell, Admiral Chatfield and Craigie there has been nothing but the closest collaboration. In fact, the British do not make a move without talking it over with Norman, by telephone or otherwise. Vincent Massey remarked last night at the Pilgrims Dinner that the evident understanding and cooperative spirit between the Americans and British was the outstanding and most satisfactory part of the Conference so far.

While actual accomplishments up-to-date are nil, owing to the adamant position of the Japanese with respect to the "common upper limit", the general atmosphere of the Conference could not, in my opinion, be improved upon.

I want to say a word about Norman. I have never before seen him in action, but only when he had not made up his mind about this or that and was, therefore,

unnecessarily

unnecessarily worried and in consequence, perhaps, unnecessarily worried others. In action all that disappears and I never cease to admire the way in which he handles himself in and out of the conferences. It may be his southern drawl, his slowness of speech or his innate courtesy, but the result is that he is able to say to the Japanese, as well as to anyone else, the most direct and unvarnished truths without incurring the slightest resentment. His knowledge, of course, of the technicalities makes it possible for him to rebut instantly any argument that is weak and without foundation in fact. Without disparaging in any way the Ambassador, it would have been quite impossible, as you so fully realized, for him to conduct the affairs of our Moreover, no other ambassador has attended Delegation. the meetings, except for the opening ceremony in the Locarno Room, when certain ambassadors were present and read formal statements on behalf of their respective delegations.

As for myself, I do not feel that I have added anything to our Delegation, although I have been immensely interested in everything that has been going on, not only within the Conference, but in the extraordinary political situation which has culminated in the resigna-

joining apartments at Claridges and I have been with Norman constantly until the last day or two, when I have been laid up with a mild attack of the well-known "London flu". During the Christmas recess, I am planning to make a brief visit to Berlin and Paris, which I know will be of help to me in the Department. I shall have another ten days after the reassembling of the Conference to watch what we all hope will be some tangible developments. Unless something unforeseen happens, I am expecting to sail from here on the SS MANHATTAN on the 16th.

May I say again how grateful I am to you for sending me over here? It has been a highly instructive experience and has opened my eyes to many situations which are difficult to see from the Washington angle.

Hoping that you are continuing in the best of health and are having a happy Christmas, surrounded by all the members of your family,

Very sincerely,

DELEGATION OF THE UNITED STATES OF AMERICA COMMENTS

London, December 20, 1935.

Dear Mr. President:

I have endeavored, in the rush of our work here, to keep the State Department fully informed by cable as to the developments from day to day. There are, however, certain matters which can not be covered well by cable and which will, I think, be of interest to you.

In the first place, there is every indication that the pro-Japanese group here, who were routed last year, have been unable to mobilize their forces again, and there seems to be no tendency in that direction. On the contrary British cooperation has so far been one hundred percent. Instead of trying to put the onus of disagreement with Japan upon us, they have been taking a positive stand against Japanese contentions; and the Admiralty tells us they are convinced that, while it is important to be patient and tactful with Japan in order to try not to give them an occasion to run out, it would be a mistake even to flirt with the idea of making any concessions as to principle. The Japanese apparently had the idea that they might tempt the British by taking the position that, because of their far flung Empire, they were justified in having the largest navy but that this did not apply as between Japan and the United States. The British did not take the bait. My contention has been that the question of parity between the British Empire and the United States

has already/

The Honorable Franklin D. Roosevelt, Washington, D. C. has already been settled, that each one feels that this gives it equal security, and that each one of us in convinced that with a ratio of 3 to 5 Japan unquestionably has equal security and an equal power of defence. The British have definitely committed themselves to this thesis.

In our last talk with the Japanese, Admiral Nagano told us that there was a feeling of apprehension in Japan because of our superior naval strength and resources and that if they had an equal navy it would re-We pointed out to him that, bemove all fear of menace. cause of our long coast lines, the Panama Canal, and our possessions in both the Atlantic and the Pacific, we were exceedingly more vulnerable than Japan and had far greater needs and responsibilities which necessitated a larger navy for purely defensive purposes; and that, if such an unfortunate contingency should ever arise as that of conflict between us and Japan, he knew perfectly well that, even assuming we could employ all of our navy in an attack on Japan, we would be at a distinct disadvantage because of the distances from which we would have to operate. We furthermore pointed out that an acceptance by us of the Japanese proposal for a common upper limit would be tantamount to a surrender of our ability even to defend Alaska, which is nearer to Japan than to us, to say nothing of the Phillipines and other possessions in the Pacific, or of our necessity of protecting our interests in the Atlantic.

In substance, we told Nagano that we could not afford to and would not agree to any material alteration in our naval strength as related to England and Japan. However, we recognized that because of the state of mind in Japan with regard to the ratio the word

"ratio" has become an anathema, and that it was probably politically impossible for the Japanese now to commit themselves in principle to a continuation of the ratio Furthermore, since we would not accept the common upper limit and they could not commit themselves to a continuance of the ratio, and since it is not possible with the present political instability in the world to get any nation to weaken its power of defence, it would be the part of wisdom to admit these facts frankly and agree upon a modus vivendi for a few years, which would prevent a naval race and any effort to alter the status quo until there is more of an atmosphere of goodwill and confidence. I pointed out to Nagano that with Italy invading Abyssinia - involving a threat of European war and with the Japanese armies penetrating China, it was absolutely impossible, as he must realize, to get either the United States or England to reduce their relative naval strength and their power of defence. I pointed out that all we wanted was to increase our friendship with Japan and our mutually beneficial trade with one another, and that we had given every evidence that we have no other desire or intention. Nagano admitted that in the last two or three years our relations had improved and I suggested that, under these circumstances, it would be a mistake for us to try to alter our relative naval positions, particularly at a time when Japan is going through a very important process of evolution. I said we should try to find some way to bridge over the present situation and to continue to improve our relations until it is possible to find a more permanent and mutually satisfactory basis for naval limitation. The Japanese seem somewhat inclined to accept such an idea and at least said they would think it

over. Our feeling, however, is that they have come with very strict instructions and limited authority and that they have not disclosed what is in their minds.

So far the Japanese have not receded from their position of refusing to accept or discuss qualitative without quantitative limitation, for to agree to quantitative limitation only on the basis of the common upper limit. They have, however, gotten themselves in a very untenable position. They first say they will not agree to a ratio system any longer but then they have to admit that a common upper limit or naval parity would merely be a change in the ratio from 5-5-3 to 5-5-5. When they insist upon equal naval armaments or parity they have to admit that there are different degrees of vulnerability and of needs and that there can only be equal security by adjusting relative naval strengths accordingly.

We adjourned today in a friendly way but without having done more than to bring out clearly the unsoundness and inconsistency of the Japanese proposals and admissions, and without any more promise of agreement when we reconvene than there was at the beginning. The Japanese are now fully aware of the fact that there is no chance of acceptance of anything approaching their proposals and within a few days after we reconvene we will unquestionably reach a crisis when the Japanese will either have to agree to qualitative limitation with advance notice of building programs or leave the Conference. I imagine that this will be decided in consultation with Tokyo during the holiday. The British are telling the Japanese that if there is no naval agreement, even as to qualitative, the United States could outbuild any of the other naval powers and that it would be a suicidal mistake not to take advantage now of our willingness and desire to reach an agreement that will avoid a naval race.

The British attitude towards Japan is not only stiffer than it was a year ago and distinctly more friendly to us and, while they are anxious to avoid giving Japan a good excuse to run out, they seem less concerned about that possibility than heretofore. In fact, the British, French and Italians all seem more concerned now about an agreement as between themselves, and ultimately Germany, and some of them have suggested the advisability of the rest of us entering into a naval agreement without Japan, but with a provision that would permit Japan to become a party if she so desires.

We all feel here now that our position is more satisfactory and less embarrassing than that of any of the other powers and apparently our own press has been acting very well up to the present. Our job is to keep the situation in hand as well as possible without taking the initiative away from the British. So far even Craigie seems to have gotten religion and I hope he will keep it.

With warmest regards and best wishes,

I am as ever,

Sincerely yours,

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DELEGATION OF THE UNITED STATES OF AMERICA

Personal. all

London, December 21, 1935.

My dear Mr. President:

With regard to the situation here that concerned us so much, there is not much to say except that so far it has been working out as satisfactorily as could be expected. Our friends here seem to have accepted the inevitable and to be reconciled to it as much as it is humanly possible to be. I understand that Bill Phillips, who has had various talks with Atherton, has written fully to Cordell.

With all of the excitement over the Ethiopian situation it has been very interesting dehere. The facts, as nearly as I can gather, are, in substance, that Laval told the British that, in view of the state of mind in France, they could not be relied upon to help in case of retaliation by Italy, and that Mussolini had threatened both England and France in case oil sanctions were imposed; also that Van Sittart, who has become obsessed with a fear of Germany and who has never cared much for the League but favors an Anglo French alliance and if possible a combined agreement with Germany to maintain peace in Europe, helped to persuade Hoare to take the course that led to his downfall. The remarkable and encouraging thing has been the extent to which the moral consciousness of England has been aroused and made itself felt. Hoare strengthened himself by the manly way in which he acted and Baldwin weakened himself. As between the possibilities of a successor for Hoare I hope that it will be Eden because he is really more friendly to the United States than the others.

The Honorable Franklin D. Roosevelt, Washington, D. C. Bill Phillips has been in bed for a few days threatened with bronchial pneumonia but he is now recovering. My wife has also had a severe cold and the three of us have about decided to go to Switzerland to Gstaad for the holidays in order to get up into the sunshine.

I hope you and your family all have a very Merry Christmas and every possible happiness in the New Year.

With affectionate regards, I am, as ever,

Faithfully yours,

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