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Def. Doc. No. 146

ON THE FOREIGN POLICY OF JAPAN
VIC-A-VIS EUROPE AND AMERICA
FOLLOWING WITHDRAWAL FROM
THE LEAGUE OF NATIONS
(Middle of April, 1933)

FILE COPY
RETURN TO ROOM 361

As a result of the conflict of views between the Japanese Government and the League of Nations concerning fundamental principles for the establishment of peace in the Orient, rendering it no longer possible to cooperate with the League, the Japanese Government has recently given notification of its withdrawal therefrom. Now that Japan is outside of the League and henceforth will have to assume a position in international political affairs quite different from that in the past, it is incumbent upon us to give the most careful and thoughtful consideration and study to Japan's foreign policy, so that we may successfully and without miscarriage come through the critical situation now facing our country.

A. OUR RELATIONS WITH THE COUNTRIES OF EUROPE AND AMERICA:

(1) The United States.

Although the United States is not a member of the League of Nations, its enormous national power gives it a leading position among the countries of Europe and America. Its influence in present international political affairs cannot be ignored even by the League. This is why the League, since the outbreak of the Manchurian Incident in September 1931, has asked for United States participation whenever important decisions were called for, and it was obviously the League's eager hope that American cooperation would add to the weight and authority of its actions. From the outset of the incident, however, the attitude of the United States has generally been cautious. While avoiding entanglement in war in the Far East, that country, by means of moral pressure, had appeared to be trying to restrain Japan's actions. However, with the outbreak of the Shanghai Incident in the latter part of January last year (1932), the American attitude toward Japan took a sudden change for the worse. Influential scholars, statesmen and politicians advocated economic rupture with Japan; some feared the possibility of a clash between American and Japanese warships in Shanghai. To prepare for eventualities, the United States concentrated its entire fleet in the Pacific. Prior to that, on January, Secretary of State Stimson, in identical notes addressed to the Japanese and Chinese Governments, had stated that due to Japanese military operations in the Chinchow area, the last administrative power of the Chinese Government that remained in South Manchuria had been shattered, and that the United States would not recognize any status, treaty or agreement brought about by means contrary to the pledge and obligations of the Kellogg-Briand Pact, to which Japan, China and the United States are parties. This statement came to be known as the Stimson Doctrine. Thereafter, the Secretary of State on a number of occasions amplified that pronouncement in statements which implied that the situation in Manchuria was in violation of the Kellogg-Briand Pact and the Nine-Power Pact, and finally even hinted that Japan was an aggressor nation.

As a result of the presidential election in November last year, the Republican Party was defeated in a landslide which brought President Roosevelt and the Democratic Party into power. Although there are some elements in our country who seem to expect that the Japan policy of the new American administration, which was installed on 4 March this year, will incline to develop in a manner favorable to Japan, a change in basic policy cannot possibly be expected in the light of the fact that the fundamental Far Eastern policy of the United States has consistently been pursued in accordance with the principle of the Open Door advocated and established by John Hay in 1899, together with the principle of territorial integrity of China and the principle of international pacifism condemning the use of armed force, founded upon the Nine-Power and Kellogg-Briand pacts. Queried by press correspondents in the early part of January this year as to his views on the Stimson Doctrine, President-elect Roosevelt stated briefly and simply that the foreign policy of the United States must uphold the sanctity of international treaties and that this must be the basis of its relations with other countries. It is generally considered that this statement indicates that the new administration supports the Stimson Doctrine. In his inaugural address on 4 March, the President stated with respect to American foreign policy that it was based upon the principle of the good neighbor who respects the rights of others because he respects himself and who respects his own obligations and the sanctity of pledges made with his neighbors.

The new Democratic administration is confronted with unprecedented domestic crisis caused by the world economic depression. As emergency measures it has ordered a national moratorium on bank transactions and the abandonment of the gold standard. Externally, it is confronted by various problems of major importance such as war debts and the world economic conference. In consequence of this situation, it can be observed that with regard to Far Eastern problems the United States is trying as much as possible to take a temperate attitude. Yet, as indicated above, the fact remains that relations between the United States and Japan have steadily deteriorated since the outbreak of the Manchurian Incident. From the American point of view the fundamental cause for this deterioration is that the present Japanese actions in Manchuria have overstepped the bounds of self-defence and are in violation of the Kellogg-Briand and Nine-Power pacts. Further contributing to this situation is the grave apprehension entertained by the American people as to how far these actions will continue to expand.

At no time have Japanese-American relations been as tense as they are now. The entire United States fleet is concentrated in the Pacific and it does not appear likely that any part of it will be returned to the Atlantic. In view of the fact that there are many in the United States who oppose an economic embargo--advocated by some elements--for the reason that such action would inevitably lead to war between the United States and Japan, the adoption of

such a measure is very unlikely. However, a resolution has recently been presented to Congress proposing the granting of authority to the President to place in cooperation with other countries, an embargo on the export of arms and munitions. It is generally observed that this proposal will ultimately be passed in view of the fact that the United States Government desires it. Such being the situation, if things are left as they are any development might unexpectedly arise. There is even a danger of war if, for example, a local incidental clash between Japanese and American forces should occur in North China.

With regard to the prospects of a war between the United States and Japan, which is much talked about, there is a faction in Japan which urges that if war were to be fought with the United States, the present would offer the best chance, because as a result of the London Naval Treaty the ratio of naval strength between the two countries will become unfavorable to Japan after 1936. If, however, such a war broke out and Japan succeeded in her operations: captured the Philippines and destroyed the American fleet after drawing it into Japanese home waters, it is clear enough that this alone would not mean that a fatal blow had been dealt to the United States such as would force it to surrender; it is hardly possible to capture Hawaii and the American mainland. Japan, at any rate, might win local battles in the Far East, but little if anything could be expected in the way of victory and advantage outside the Far East. The possibility is great that as an inevitable consequence we would be involved in a protracted war which would be unfavorable to Japan. Furthermore, it is difficult to expect, in the present state of international relations, that the United States would be our only antagonist; the attitude of Great Britain and France in such case is unpredictable, and they might act together against Japan [cf. (5)]. Therefore, from our viewpoint a Japanese-American war should by all means be avoided. From the viewpoint of the United States, she does not gain much either in such a war in view of the difficulties in forcing the surrender of Japan by means of force.

In short, any idea of trying to monopolize the Pacific is equally unrealistic whether considered from the American or the Japanese standpoint. It is to be expected as a matter of course that the United States would not countenance the establishment of a Japanese hegemony over all of the Far East. Inasmuch as the actual interests of the United States in the Far East consist essentially of commerce and capital investments, there is conceivably room to moderate the American idea of moral guardianship over China. It is therefore essential from this point of view that we persuade the United States to reconsider its Far Eastern policy. In other words, the basis of our policy toward the United States should be to avoid war and to have that country reconsider and revise its Far Eastern policy.

Japanese-American relations should be thoroughly studied from all angles and any measures which would contribute to the prosecution of this basic policy should be carried out to the end that unnecessary conflicts may be avoided and any obstacles in the way of better feeling may be removed, thus to restore stability in the Pacific area. This must be the urgent task of Japanese diplomacy and to it our full efforts must be devoted. As to concrete steps for the improvement of Japanese-American relations, it is necessary first of all to have the United States reconsider her China policy. For this purpose it is essential that the foundations of a really independent Manchoukuo be established, and that she be led to observe as much as possible the principle of the Open Door and equal opportunity, and that it be made clear that Japan entertains no territorial or political ambitions in any other area except Manchoukuo. Furthermore, steps should be taken to urge the United States at this time to remove the discriminatory anti-Japanese clause in its immigration law, which is a blot on Japanese-American relations, and to adopt an equitable quota for Japan. In view of American suspicions of Japanese territorial ambitions toward the Philippines, to which the grant of independence has recently been extended by the United States Congress, an agreement should be concluded between the United States and Japan guaranteeing Philippine neutrality provided the United States will not use the islands as a naval base. However, since these measures are not possible of immediate realization, it is proposed as an appropriate step first of all that a treaty of arbitration and a treaty of mediation be concluded for the purpose of making relations between the two countries normal. In 1904 the United States proposed a treaty of arbitration between the United States and Japan. Concluded in 1908, it continued in force until 24 August 1928, after being extended three times. Prior to the expiration of the treaty the United States had proposed a treaty of arbitration and a treaty of mediation, to which Japan informally addressed questions on a number of points. The United States Government sent its reply to these questions on 8 August, the following year, but no further steps were ever taken.

As to the treaty of arbitration in the foregoing proposal of the United States Government, difficulties lay in the exclusion from the application of the treaty of (a) domestic matters and (b) the Monroe Doctrine. By exclusion of domestic matters from the application of the treaty, the United States intends in reality to exclude the immigration problem. Inasmuch as that intention of the United States is not to be explicitly written in the treaty, and exclusion of domestic matters is of common concern to the two countries, there should be room for considering this matter on our part. There is a precedent, moreover, in that the declaration attached to the Four-Power Treaty excluded domestic matters from the application of that treaty. With regard to the exclusion of

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the Monroe Doctrine, such an exclusion would be a great drawback of the treaty. The United States, however, would certainly insist upon the exclusion, for domestic reasons of national feeling. Since the point does not involve our real interest, we should deal with it as a political consideration and should accept it in return for our compensatory demands.

As to the treaty of mediation, the American proposal provides that hostile acts be withheld for a period of one year from the time the inquiry into a controversy is begun by an international mediation commission. In view of the great difference in the productive capacity of the two countries, such a proposal cannot be accepted as it is, but it would be acceptable if the period of one year were shortened or the provision were redrafted to provide that the situation should not be worsened for a certain period.

In conclusion, it would be extremely difficult to come to an agreement on a treaty of arbitration, inasmuch as the United States would insist on excluding domestic matters and the Monroe Doctrine from the application of the treaty, whereas a treaty of mediation would have a better chance of success though it would also encounter difficulties. It is suggested, therefore, that a treaty of mediation be first concluded. It is further considered to be contributory to the bringing about of normal relations between the two countries to have silk and cotton placed on the free list and to conclude an agreement for reciprocal tariff rates on certain specified items as a means of stabilizing Japanese-American commercial relations.

(2) Great Britain

Among our international relationships, that with Great Britain constitutes one of the most important. The British Empire, being in possession in the Orient of India, Australia and New Zealand, as well as the strategic points of Singapore and Hong Kong, and having established strong economic groundwork in China in advance of other powers, has occupied for a number of years a position of importance in Oriental problems. In the past, the development of Japanese-British relationships has seemed to have a close connection with our national fortune and will continue so in future as well.

The Anglo-Japanese Alliance was brought to an end, after a brilliant record of 20 years, in the new international situation after the World War, in which Britain considered the Alliance no longer necessary since both her opponents, Germany and Russia, had collapsed; America was opposed to its continued existence in view of the tense Japanese-American relationships arising out of America's Far Eastern policy and the anti-Japanese immigration problem; the British dominions were also opposed to the Alliance,

Australia and South Africa being sympathetic with America from their anti-Japanese policy and Canada from her close geographical and economic relationship with America. In 1921, prior to the Washington Conference, the Commonwealth Conference decided not to renew the Anglo-Japanese Alliance, and it was terminated by the Four-Power Treaty concluded in Washington among Japan, Britain, France and the United States, providing for mutual respect by the Powers concerned of territorial rights to their island possessions in the Pacific.

After the abrogation of the Alliance, coöperation between Japan and Great Britain with respect to the China problem was no longer plain sailing. The Washington Conference and the Nine-Power Pact which resulted therefrom brought about a new situation in international relations relative to China. Although Britain adopted a policy of supporting China, launching itself upon the revision of treaties--especially the solution of tariff, extra-territoriality and concessions problems--the political unrest in that country showed no improvement. Rather the new British policy had the adverse effect of giving rise to ultra-nationalism among the Chinese, leading to stimulation of the anti-foreign movement aimed at the restoration of Chinese rights and interests, and Britain was the first to suffer from it. When in early 1925 the Chinese National Army occupied the British concessions in Hankow and Kiukiang, and Shanghai subsequently was endangered by the same army, Britain proposed to Japan the simultaneous dispatch of arm forces to Shanghai. The Japanese Government, however, declined the proposition for coöperation on the ground that it could not commit itself definitely on a matter of such importance as the dispatch of troops, and Britain alone sent troops to Shanghai. This was the first instance of a failure of coöperation between Japan and Great Britain.

In the meantime the problem of establishing a naval base at Singapore came to foreshadow the future of Anglo-Japanese relations. The project took concrete form in the naval budget proposed in March 1923 by the Conservative Government, after having been agreed upon in the British Empire Defense Commission after the World War and the Commonwealth Conference of 1921. It was proposed to establish in ten years at the cost of nine and a half million pounds a dry-dock capable of taking a modern battleship, and necessary equipment therefor. The reason for this project was that, the German fleet having been dissolved by World War I, Great Britain wished to return to the principle of dispersal of the fleet, abandoning that of concentration. In order, however, that despite the limitations of the Washington Treaty the fleet's duty of guarding the sea-lanes of commerce might be fulfilled, it was necessary that its operating radius be extended. Furthermore, there was the Far East--in which area it was to their interest to be able

to operate--no base capable of taking a modern capital ship, and Hong Kong was within the area of limited defense in accordance with the Washington Treaty.

Those in Britain who favored the naval base reasoned that the Anglo-Japanese Alliance no longer existed, that there was every possibility of a military clique rising to power in Japan against which Britain must be prepared, and that a base at Singapore would in conjunction with the American bases in Hawaii and the Philippines aid in the task of guarding the Pacific. Japan was thus regarded as a potential enemy. Those who opposed the Singapore base gave the opinion that it was contrary to the spirit of the Covenant of the League of Nations, that it was in violation of the spirit of the Washington Conference inasmuch as it was, in essence, nothing more than the extension of the fortifications at Hong Kong and that it was a challenge to Japan. The bill finally passed Parliament and despite repeated postponement of the project by the Labor Cabinet, it was resumed by the Conservative government and the Imperial Conference of 1930. The Jackson contract for the dock construction is expected to be completed by September 1935.

In the field of commercial relations Britain is endeavoring to cultivate foreign markets in order to settle her unfavorable trade balance and solve her industrial depression. She has abandoned her traditional free-trade policy in favor of protectionism and has established a reciprocal trade system within the British Empire in order to strengthen economic cooperation with her dominions. On the other hand, Japanese exports, stimulated by a low rate of exchange and low cost of labor, are invading British markets throughout the world. This has provoked in Britain a demand for the boycotting of Japanese goods through such means as the establishment of high tariffs or the abrogation of the Anglo-Japanese Treaty of Commerce. It may be asserted, not without reason, that the abrogation of the Japanese-India Commercial Treaty is essentially to the interest of Great Britain.

As to the British domestic situation, the present government was formed with the support of the nation's majority as shown by the results of the general election at the end of October 1931. It has made notable accomplishments, but there are still many important issues, both internal and external, which lie ahead of it. There are 2,700,000 unemployed, causing a great burden on the national treasury. Although economic ties were strengthened by the Empire tariff system established at the Ottawa Conference in July last year, there still remain some political frictions within the British Commonwealth, such as the independence movement of Northern Ireland, the autonomy movement in India, and the problem of reform of the Indian Administration Law.

In the realm of external affairs, Britain has offered her full support to the League of Nations in order to maintain international peace and her status as an arbiter among France, Germany, Italy and other European Powers. Many difficult problems are, however, arising. The Conference on the Limitation of Armaments in Geneva is in a stalemate after having been in session for more than a year. The recent political change in Germany has brought the National Socialist Party under Hitler into power, which, together with the German demand for revision of the Versailles Treaty, foreshadows unrest in the European political situation. Vis-à-vis the United States there are such pending questions as that of war debts, disarmament, the world economic conference, and others.

Anglo-Japanese relations and the internal and external situation being what they are, when the Manchurian incident broke out Britain endeavored on the one hand to preserve the authority of the League of Nations and on the other to mediate between Japan and China in order to settle the affair from a practical point of view. It is to be borne in mind, however, that Britain supported the report of the Commission of Inquiry of the League of Nations as a basis for settlement of the Manchurian question and that she acted in concert with the majority of the League members only after it had become clear that the stand taken by the League was incompatible with that taken by Japan.

The problem now confronting Japan is to pursue our Manchurian policy and adjust our relationship with China. It will take a considerable time to solve it, and in the meantime we have to keep good relations with other Powers. Great Britain not only has by far the greatest interests in China, but plays a leading role in international political affairs. She is the first country with whom cooperation is to be expected, in view of her position in the Far East as well as of our past relationships. Although some sections in Japan talk about the revival of the Anglo-Japanese Alliance, a study of the situation which led to its abrogation will show that such a revival cannot be hoped for. Nor is the restoration of Anglo-Japanese cooperation with respect to the Chinese problem a matter to be easily achieved. However, in view of the fact that Japan and Great Britain have many common interests in China, sufficient room should be found for cooperation with regard to the settlement of Far Eastern questions, especially that of China proper. In order to realize this, it would be reasonable and proper to endeavor to make Great Britain understand thoroughly the fundamental lines of our Manchurian policy; to respect Britain's rights and interests in China, thereby eliminating causes of conflict; to cultivate an atmosphere which would be conducive to Anglo-Japanese cooperation; and on the other hand to urge her to help us in improving our relations with the United States.

(3) France

As a premise to a study of our relations with France, full cognizance must be taken of the present position of France in international relations and of her foreign policy. As a result of the World War, France satisfied almost all her theretofore unrealized political and economic aspirations, such as the recovery of Alsace and Lorraine, the disarmament of Germany, depriving Germany of her colonies, levying an enormous amount of reparations, etc.; but the devastating effects of that war have necessitated intensive rehabilitation and reconstructions. France has suffered the bitter experience of being invaded four times in the past 120 years, and moreover, German superiority in population still continues to be a constant threat to the security of a less populous France. The chief concern of post-war France, therefore, has been to secure a new order in Europe and to rebuild her national strength, while at the same time insuring against the possibility of German revenge. This has been the pivotal issue of recent French foreign policy.

From this viewpoint, France in the post-war period has continued striving to secure Anglo-American support. The United States, however, refused, to the discouragement of France, to ratify the so-called Anglo-American treaty to aid France (signed at the time of the Paris Peace Conference but disapproved by the United States Senate), to join in the Treaty of Peace, to support the League of Nations, and to help France in her reconstruction. Since then, France has never failed to make efforts to induce America to take part in the European security system; and on the other hand, she has adopted the policy of encirclement of Germany by closely cooperating with Poland, Belgium and the Little Entente Powers.

However, things developed contrary to the expectation of France, causing Russo-German rapprochement and Anglo-French discord, and the situation came to a deadlock with the occupation of the Ruhr. She came to realize that, in order to keep peace in Europe, and to maintain her superior position in Europe, she must adopt a policy of supporting the League of Nations by modifying her attitude toward Germany and, above all, by strengthening Anglo-French accord. She has, therefore, endeavored to be in accord with Britain and to maintain friendly relations with America. Furthermore, the rise of the Fascist and the National Socialist Parties in Italy and Germany respectively in recent years has made it necessary for France to promote closer relations with the Little Entente Powers and to seek a rapprochement with the Soviet Union, in spite of the unfavorable circumstances hitherto existing. In short, the post-war French foreign policy has revolved around the central idea of securing peace in Europe in order to preserve the fruits of victory.

and for this purpose the friendship and cooperation of Great Britain, the United States and the Soviet Union have been regarded as indispensable.

Japan's relations with France have been predicated primarily on our having been an ally in the war and a member of the Council of the League of Nations. Although there have been some cases in which France has requested Japan's support in the execution of her fundamental policy of maintaining European peace, our interests in European problems have always been small compared with those of other big Powers. As to the disarmament question, France and Japan have common interests, as in the submarine issue, but the French position on disarmament on the basis of guarantee of security and establishment of an international army is not in the final analysis in conformity with Japan's policy. France, on the other hand, has considered Japan's support neither indispensable nor important in prosecuting her European policy, which she deems most vital to her. Moreover, as Japan has recently vacated its place on the League Council, it must be recognized that there will in future be less French expectation of cooperation from Japan.

One of the outstanding instances in which France desired Japan's support in her European policy is when the problem of the dispatch of Japanese troops to Europe was brought up in the course of the World War. Should such a problem arise again, however, it is doubtful if France would become so enthusiastic as she was in the last instance, in view of the present situation in Europe. Besides, another crisis of Europe is not to be expected in the near future, the French government leaning toward the left and the German National-Socialist Party having no intention of abrogating the Peace Treaty abruptly.

Franco-Japanese relations, therefore, will in the future be limited to matters concerning the Orient and the Pacific. Cooperation and amicable relationship between the two countries should, therefore, be cultivated in regard to matters relating to this part of the world. France is fully aware of the benefits of cooperating with Japan in the Far East, in recognition of the important position that Japan occupies there, and it is seen that she is cooperating with Japan rather than with Britain since the capture of Anglo-Japanese accord with regard to the China problem. However, France's interests in the Far East lie in French Indo-China, plus some economic concessions in China, and she entertains no positive program of developing in China. The significance of French Indo-China is less by far as compared with that of India or Egypt to Britain. Hence, French Asiatic or China policy is rather secondary in importance when compared with her vital European policy, and it is necessarily circumscribed by her European policy, especially by her policy of friendship with

Britain and America. Since these two countries have vital interests in Asia and the Pacific, French policy toward Japan, and her Asiatic policy in general, has always been scrupulously directed so as not to conflict with that of those two Powers, thus avoiding any adverse effect on the prosecution of her European policy.

There are many examples which illustrate this attitude of France. In the Yap Island issue in the years 1920-21, France at first fully supported Japan, but as the negotiations proceeded she committed herself to supporting the United States should the matter be submitted to the Supreme Council, thus showing good will toward the United States at the expense of her friendship with Japan. On the occasion of the conclusion of the commercial treaty between French Indo-China and Japan, on 13 May 1932, Mr. Nagaoka, the Japanese Ambassador to France, suggested to Premier Tardieu a re-reading of the Franco-Japanese Entente in order to promote friendlier relationships and mutual security in view of the disorder in China especially Communist activities and influence. The mild refusal of the Premier--who stated that the matter should not be discussed without Britain's participation, and that America's susceptibilities would be injured if the China problem were taken up without her participation--proves that France has no intention of cooperating with Japan to the exclusion of Britain and America in Far Eastern affairs.

As to the present attitude of France in Far Eastern affairs, since the Manchurian Incident, there are a number of incidents which suggest Franco-Japanese cooperation, such as the favorable attitude of General Claudel, a member of the League Commission, the conclusion of the Japanese-French Indo-China Commercial Treaty, French investment in Manchuria, the movement proposed by a group of members of the French Parliament to form a Franco-Japanese Association, etc. However, when Ambassador Nagaoka proposed a Franco-Japanese Entente in September of last year, in accordance with our instructions, assuring our support with regard to her interests in China and her policy toward Germany, not only did Premier Herriot refuse our proposal plausibly, but the matter was apparently reported to Britain. France, moreover, together with the Little Entente Powers, refuses to recognize Manchoukuo and expresses her support of the Stimson Doctrine whenever there is an occasion.

France is not responsive to our friendly attitude toward her because she has first to take into consideration her relations with Britain and America, with whom Japan is not quite in harmony. In order to promote friendly relations with France, therefore, we must first improve our relationship with Britain and America. If our relations with them became worse over the Far Eastern and

Pacific problems, France would surely take the opportunity to support America--for instance to obtain her support in France's European policy. The French attitude over the Yap Island issue, the rumor that the French delegate to the Washington Conference foresaw the situation in which French bases in Indo-China would be placed under the American Navy, and France's support of the Stimson Doctrine on various occasions, indicate France's fundamental attitude toward Japan.

Some people are of the opinion, judging from the uneasy situation in Europe, that there will be another Franco-German war. But the two nations are too deeply impressed with the damage and tragedy of war to wage another war, at least in the near future. We cannot establish our future policy on such an assumption.

There will be room for improvement in Franco-Japanese relations in the cultural and purely economic fields, and possibly in regard to policy against Communist activities in China, but further steps in political cooperation are not to be expected. France once sought our guarantee for her position in Yunnan, but she would not accept any reopening of the Franco-Japanese Entente when the military and economic activity of America in South China were markedly increasing. France will restrict her investment in Manchuria when America is advocating the open door and equal opportunity policy in Manchuria and both America and the Soviet Union are suspicious of armament in Manchoukuo. As to the China policy, France will not make too much commitment because of her relations with Britain.

As to France's relationship with Russia, she is endeavoring to improve her relations with Russia in order to prevent a Russo-German accord in view of the rise of the rightist movement in Germany. This is why she signed a non-aggression pact and a treaty of mediation in November of last year. Franco-Russian rapprochement will be intensified as the National Socialist movement gains more power in Germany. The present French-Russian relationship is much like their relationship at the time of the Franco-Russian Alliance, and France would be obliged to stay neutral if Russia were attacked by Japan. There is room for doubt concerning France's support in case we took a strong attitude toward Russia.

Unless an unexpected situation of major importance arises--such as, for instance, a Franco-German war--it should be assumed that the conclusion of a Franco-Japanese entente is almost impossible and, therefore, it is incumbent upon us first to establish friendly relations with the United States and Great Britain and by so doing to induce France to join.

(1.) Germany

Owing to the extensive devastation wrought by the World War and the heavy burden of reparations imposed upon her, the internal situation in post-war Germany has been chaotic, economically and politically. As an economic crisis was brought about in June 1931 in spite of the strenuous efforts of successive cabinets, endangering the stability of the entire world economy, a one-year moratorium on all government debts was enforced in accordance with the proposal of President Hoover. The German economy has barely escaped a collapse, and is not quite stabilized yet. The political situation is chaotic due to the financial instability and the rise of rightist and leftist movements. Taking advantage of the situation, the extreme rightist National Socialist Party has risen to be the first party after a number of elections. On 30 January this year, the party established a rightist coalition cabinet under Hitler, and after the victory in the general election on 5 March, a dictatorship of the right has been established.

In the field of foreign policy, Germany adopted, as Foreign Minister Stresemann assumed office in 1923, a policy of conciliation and cooperation with France in order to regain her former international status. In 1924 she accepted the Dawes Plan regarding reparations payments. In October 1925 she concluded the Locarno Treaty with Britain, France, Italy, Belgium, Poland and Czechoslovakia, indicating that she has no intention of altering her western frontier. In 1930, she accepted the Young Plan at the Hague Conference, determining the amount of reparations and simplifying the method of payment. In accordance with the decision of the Hague Conference, Britain, France and Belgium withdrew their forces from the Rhineland in May 1930. Her policy of conciliation has thus showed extensive achievement.

On the other hand, Germany endeavored to approach Russia in order to cope with the French policy of encircling Germany with the cooperation of the Little Entente and Poland. She concluded a treaty of neutrality with Russia in 1926, renewed it in 1930, concluded a treaty of mediation in 1929, and concluded an economic agreement in December 1931.

However, as the demand in Germany for reducing reparations, revision of the Versailles Treaty and restoration of national authority was intensified, the von Papen Cabinet replaced the Brüning Cabinet in May 1932, and adopted a strong and positive foreign policy. Germany thus succeeded in getting the reparations greatly reduced at the Lausanne Conference in June 1932, and in making the powers consent to the principle of equal armament in the General Conference on Disarmament at Geneva, by emphasizing the unreasonableness of the armaments limitations provided by the

peace treaty. The establishment of the Hitler dictatorship fore-shadows a stronger and more positive foreign policy and there is now strong indication of a rapprochement between Germany and Italy, two nations which have a common interest in revising the Versailles Treaty. Alarmed by these tendencies, France, the Little Entente Powers and Poland are in a state of uneasiness and the European situation has become ominously dangerous. In order to alleviate the tense atmosphere and find a way out of the recent deadlock of the Disarmament Conference, negotiations are now being carried on, since Prime Minister MacDonald's visit to Rome at the invitation of Mussolini in March of this year, with a view to concluding, on the initiative of the Italian Premier, a four-power treaty among Britain, France, Germany and Italy.

In connection with Japanese-German relations, it is to be noted that Germany at present is too involved in European problems to give much attention to Far Eastern questions, in which she has never had any vital or direct interests. The German attitude toward Far Eastern problems thus far has never been anti-Japanese in any positive sense, but has been rather neutral. Generally speaking, Germany has always been following the suit of the rest of the big powers in her Far Eastern policy. Recently voices have been raised in Germany advocating recovery of the former German mandated possessions in the Pacific. However, as these islands are not politically or economically of any vital importance to present-day Germany, it may be presumed that she will not insist on regaining them in the face of our objection thereto. Rather it appears as if Germany intends to make use of the question as an excuse to open efforts to regain the long-coveted former German colony in East Africa. It is therefore advisable that, now the German rightist party is in power, we make efforts to have Germany understand our international position in the Far East and at the same time to promote closer contact in culture and science between the two nations, so that she may not deviate from her traditional neutral attitude toward Far Eastern problems.

(5) Netherlands

The Netherlands has vast colonial possessions in the East and is necessarily greatly interested in Far Eastern problems. When the Four-Power Pact was concluded at the time of the Washington Conference, the Japanese Government, in compliance with the request of the Netherlands Government, pledged, through our official communication of 5 February 1922, to guarantee its rights over Dutch colonial possessions in the Pacific. In spite of our pledge, however, the Dutch have always been under the impression that Japan might be entertaining some ambitions toward their island possessions. In connection with this matter, Prince Konoe, as president of the Japan-Dutch East Indies Association, has recently submitted a recommendation to the Foreign Minister. In view of the possible arising of a feeling of uneasiness over the future of friendship and

economic relations between Japan and the Dutch East Indies, as a result of the unstable international political situation caused by Japan's withdrawal from the League, the Prince suggests that some diplomatic steps should be taken at this time to allay apprehensions--e.g., conclusion of a treaty of arbitration and mediation with the Netherlands and the Dutch East Indies. It is highly advisable that our government endeavor to promote amity with the Dutch by clearing away all misgivings, and at the same time declare to the world our sincere desire and intention of maintaining peace in the Pacific, of keeping it always quiet and true to its name.

Furthermore, our relations with the Dutch East Indies and Dutch Borneo have always been important in the geographical, historical and economic sense. Our economic relations with the Dutch East Indies especially are becoming ever closer year by year, as our trade and investments there promise to grow in the future. Our exports to the Dutch East Indies in 1931 and 1932 were respectively 63,450,000 and 100,250,000 yen, and are increasing, and imports therefrom were respectively 46,000,000 and 40,410,000 yen. Our investment therein already amounts to 70,000,000 yen, and the prospect is very favorable. It is therefore only proper and appropriate that we should by our actions eradicate the misgivings of the Dutch and promote our economic relations with them.

The Japanese Government is now negotiating with the Netherlands Government, at the latter's initiative, the conclusion of a treaty of arbitration and mediation. In view of the situation set forth above, we should strive earnestly for the successful consummation of the present negotiations. Furthermore, if the Netherlands should propose the conclusion of a treaty similar in nature to the Four-Power Pact concerning the status quo in the Pacific, about which Saitō, our minister to the Netherlands, has submitted his opinion to the government, we should readily respond to her offer since it would be helpful in eliminating Dutch suspicions and in making clear to the world our desire for peace in the Pacific.

(6) The Soviet Union

a. Japanese-Soviet relations after the resumption of diplomatic relations, especially the Soviet attitude toward Japan.

With the conclusion of the Treaty of Peking on 20 January 1925 Japan and the Soviet Union exchanged diplomatic and consular representatives and opened negotiations on the matter of rights and interests in Northern Saghalien and the revision of the Fisheries Convention of 1907.

The negotiations on the oil and coal concessions in Northern Saghalien, between the Soviet Government and our businessmen (as recommended by the government) were successfully concluded on 14 December 1925. The revision of the Fisheries Convention was agreed upon on 23 January 1928, after many difficulties arising out of national, social and economic differences of the two countries. As to the problems arising out of the execution of the new Convention, they were settled by the negotiations carried on between the Soviet Government and Ambassador Hirota from June 1931 and concluded in August 1932. The relations between the two countries have remained generally smooth, although there were some such problems as our protest in January 1930 against Soviet violation of the no-propaganda agreement, closing of the branch of the Bank of Chosen in Vladivostok, and the termination of forestry concessions in Far Eastern Siberia.

Toward the Manchurian Incident the Soviet Union maintained an attitude of neutrality and non-interference. In view of Japan's neutral attitude at the time of the Soviet-Chinese conflict over the issue of the Chinese Eastern Railway, in 1929, the Soviet attitude toward the Manchurian Incident was understandable. Moreover, the incident was at first restricted to southern Manchuria, which is outside the Soviet sphere of influence. Even after our military operations extended to northern Manchuria and Soviet interests were evidently involved, Russia continued to maintain her neutral attitude. Furthermore, her consent to our transporting troops by the Chinese Eastern Railway; her refusal of the League of Nations' request for cooperation of Soviet consular officials in Manchuria with the Lytton Commission; her offer of good offices in evacuating Japanese residents in Manchouli through Soviet territory at the time of the Su Ping-won Incident; her expression of consent to the sale of the Chinese Eastern Railway to Japan; and her rejection of the request of the League of Nations to join its advisory council--these, together with the settlement of the question of fishery lots, are facts which are worthy of note. This attitude of the Soviet Union should properly be interpreted in the light of the fact that its understanding of Japan's power is much greater than that of other countries and of the fact that, since incidents with foreign countries cannot be permitted to occur while that country is busily occupied as she now is in internal construction activities, she is avoiding any actions which might provoke Japan. The desire of the Soviet Union for a non-aggression pact with Japan is motivated by its desire to secure the safety of its Far Eastern territory from the increasing threat which it feels since the Japanese advance into Manchuria.

The attitude of the Soviet toward us has been just as described here. She had been conciliatory to us prior to the Manchurian Incident, and her attitude after the Incident was not very anta-

gonistic either. During the past eight years, following the restoration of diplomatic relations, the Soviet attitude toward Japan has generally been conciliatory to the extent permitted by their internal situation. They have maintained such an attitude because of their quite accurate estimate of Japan's status and power in the Far East and because their internal and external situation necessitated their adjusting their attitude accordingly. It should be observed that the strong concentration of power enabled Russia to pursue such a policy.

b. Reasons which necessitate an adjustment of Japanese-Soviet Relations.

To the extent that the Soviet Union strives toward the world revolution a clash with Japan may sooner or later be unavoidable, and the Five-Year Plan should be carefully watched. However much the Soviet propaganda may be carried on, it would eventually be necessary to resort to force for the world revolution to be realized. There is room for doubt as to the success of the Five-Year Plan inasmuch as it is carried out at the cost of the people's daily necessities and of impoverishment of the national finance. Even if the Soviet Union shakes off the so-called peace policy and launches on a policy of force in the way of world revolution such a policy will be directed toward the Western European countries which are susceptible to socialization rather than toward Japan, situated far away from the center of Soviet Russia. Japan, moreover, will attain a favorable position vis-à-vis Russia if our Manchurian policy is properly pursued.

The course which Japan should follow is to pursue effectively our Manchurian and Mongolian policy on the one hand and to avoid friction and promote friendly relationships with other Powers on the other, thereby making them understand the position of Japan and Manchoukuo in the Far East. As to our relations with the Soviet Union, there are various issues that are hard to solve, some involving directly or indirectly fundamentals of relationship, and are likely to excite the feelings of both nations, with unfavorable effects on the peace of the Far East. We should therefore make every effort in accordance with the general course of policy to promote friendly relations with her, and in so doing we may be able to solve these pending issues. It may even be possible to get Soviet Russia to recognize Manchoukuo, which is hardly to be expected of any other Powers for the moment.

A review of Soviet-Japanese relations will show that the Soviet Union feels a sense of insecurity over its Far Eastern territory since the Manchurian Incident. Especially after the Japanese Government, in its reply to the Soviet proposal of a non-aggression pact in December last year (1932), stated that such a pact was still premature, the Soviet Government has entertained

apprehensions with regard to possible Japanese military advance. That apprehension is to be noted in the statements of such influential Soviet leaders as Stalin and Voroshilov that danger to the Soviet Union lies not so much in Western Europe as it does in the Far East, especially Japan.

With regard to pending issues between the two countries, the controversy recurring yearly over the fisheries problem has been settled through Soviet concessions to the extent that any controversy such as would become a hindrance to relations between the two countries may not be expected for the time being. However, some controversy may be unavoidable. The pending issue relative to oil and coal concessions in Northern Saghalien (including problems as those of test-excitation areas, ratio of Japanese and Soviet workers, rate of ruble exchange, relaxation of the application of labor laws) might possibly be an obstacle to friendly relations. Should Soviet agitation for the recovery of those concessions increase, the misgivings mentioned above might become greater. As to relations with Manchoukuo, issues such as boundary navigation rights, the White Russians in Manchoukuo, as well as Chinese Eastern Railway, exist and may expand in future. Even a clash between the Soviet and policing forces in the border region is not beyond possibility in view of our right of stationing troops based on the Japan-Manchoukuo Protocol. It goes without saying that Soviet-Manchurian relations have a direct and indirect bearing on Soviet-Japanese relations. There are many difficult issues between the two countries and it cannot be expected that they can be settled at one stroke. However, if things are left as they are, mutual distrust cannot be removed and the relations of the two countries might come to be dominated by our domestic Communism problem or by the development of the Soviet-Manchoukuoan problems.

As to our domestic problem of Communism, some people in our country voice opposition to the continuation of Japanese-Soviet diplomatic relations because of the recurrence of Communist incidents at home. However, severance of diplomatic relations will not contribute in the least to the solution of the problem, since it arises mainly from various conditions within the country and since, moreover, such action would have the adverse effect of relieving Russia from her obligation under the Treaty of Peking which forbids Communist propaganda, thereby permitting sinister propagandizing.

The circumstances being what they are, we should endeavor mainly to develop Manchoukuo, and with regard to the Soviet Union we should watch the progress of the Five-Year Plan and the Soviet attitude toward other countries, and endeavoring to avoid unnecessary friction with Russia, establish the relations of a good neighbor with her, thus contributing to settlement of all problems pending with the Soviet Union.

As to the possible influence of the improvement of the Soviet-Japanese relationship on third Powers, there is no reason that it should disturb American-Japanese relations--inasmuch as America (it was clearly illustrated at the time of the dispatch of troops to Siberia) does not want Japan to dominate Siberia, on the one hand, and is not pleased to see Soviet Communism firmly established, on the other--though of course she may be concerned if the Soviet-Japanese relationship becomes too close. The fact that some in America suspect Japan of intentions of aggression, by reason of her refusal of the Soviet offer of a non-aggression pact, shows that improvement of Soviet-Japanese relations is desirable for the betterment of our relationship with the United States.

Although America's recognition of the Soviet Union is still difficult to predict, some proponents of recognition argue that America could thereby restrain Japan's actions in the Far East. At any rate the improvement of our relations with the Soviet Union would neutralize the effect of America's possible recognition of the Soviet Union. Furthermore, improved relations with the Soviet Union would make our position favorable in case our relations with America should deteriorate. In such case we cannot expect Britain's assistance nor will the attitude of France and other European countries be favorable to Japan. It is therefore deemed absolutely necessary to strengthen Soviet-Japanese relations now, not only for obtaining oil, but for securing our rear.

With regard to Britain, some people fear that our friendly relationship with the Soviet Union might cause trouble in our relationship with Britain inasmuch as there are frictions between Britain and the Soviet, such as Communist activities in Britain and the Indian independence problem. However, it is clear that the Soviet-Japanese accord will not extend to such a point that the two nations in combination would oppose Britain. It is not, therefore, reasonable for Britain to entertain any apprehensions over the improvement of Soviet-Japanese relations. For that matter, the Franco-Soviet non-aggression pact has not created any problem in Anglo-French relations.

Improvement of Soviet-Japanese relations will have a beneficial influence on third Powers by proving our peaceful intentions, and thus contribute to the betterment of the relations with the United States, Great Britain and other countries which have existed since our withdrawal from the League. The menace of Bolshevism which Japan pleaded to justify the advance into Manchuria had become such a commonplace that it is doubtful to what extent that explanation appealed to world public opinion. World attention, like that of America and Britain, is focused on our military advance rather than on the Bolshevist menace. As it is known to the world that

the Soviet attitude toward Japan since the Manchurian Incident has been relatively moderate, world opinion--which has already criticized Japan as all but an aggressor nation--will become even more bitter should a military clash occur between Japan and the Soviet Union. If such an eventuality ever occurs, our international relations will be much worse than at the time of the Manchurian Incident; and if it should be protracted international intervention would have to be expected. Japan should avoid making any issue with the Soviet Union at present. It may cause hindrance to Japan's pursuing her urgent policy of Manchuria and Mongolia.

Therefore it is by all means advisable that we make earnest efforts to improve our relations with the Soviet Union.

c) A concrete program for the improvement of Japanese-Soviet relations.

Of all the concrete measures for the improvement of Japanese-Soviet relations, that most desired by the Soviet Union is a non-aggression pact. There are pros and cons on the question in Japan, the main arguments against it being as follows:

1. Insofar as Soviet Russia holds to world revolution as her fundamental national policy, we shall sooner or later have to come to a clash with her, and there is great possibility of such a clash over our Manchurian policy. A non-aggression pact that would limit our freedom of action is therefore inappropriate.
2. The Soviet Union usually starts an ideological and economic war prior to that of armed forces. The Soviet Union has already declared ideological warfare against us, and she wages armed war only after her opponent has ideologically lost the war. A non-aggression pact with such a nation is therefore very dangerous.
3. The economic policy of the Soviet Union has already failed and she is on the verge of collapse. A non-aggression pact with such a nation is therefore unnecessary.
4. The Soviet Union for the moment endeavors to avoid conflict with other Powers in order to execute the Five-Year Plan, and for other considerations internal and external, and with regard to Japan she is most interested in the maintenance of peaceful relations in connection with the establishment of Manchoukuo and the subsequent advance of Japan into northern Manchuria. However, she will resume a positive or even an aggressive policy against Japan as soon as she is ready to do so. It may be possible to conclude a non-aggression pact of a proper duration, but abrogation of a treaty of such nature is very difficult because of the delicate conditions created, and conclusion of a non-aggression pact for even a short period will bring the Soviet Union a sense of security in

the Far East and will only facilitate her accomplishment of the Five-Year Plan.

5. A non-aggression pact would mean our rapprochement with the Soviet Union and estrangement from Britain, France and America.

6. A non-aggression pact will bring about political rapprochement of the two countries, thereby stimulating Communism in Japan and facilitating Soviet propaganda.

7. A non-aggression pact will induce the Soviet to take a strong attitude in the matters of fisheries, Northern Saghalien concessions, etc.

8. A non-aggression pact is not necessary when we already have the Soviet-Japanese Basic Treaty and the Kellogg-Briand Pact, and it might even weaken the effect of the latter.

These arguments are refuted by the following considerations:

1. Both the Soviet Union and Japan are parties to the Kellogg-Briand Pact. The Pact excepts war of self-defense, but even a non-aggression pact will not forbid an act of self-defense since it is taken for granted in international law. It is true that there are some in Japan who favor a policy of force against the Soviet, but it has already been stated in this paper that such a policy is utterly inappropriate. Furthermore, inasmuch as the Soviet Union is understood to have the intention of guaranteeing non-aggression vis-à-vis Manchoukuo, it is advisable to conclude a non-aggression pact including a stipulation of non-aggression vis-à-vis Manchoukuo, and to induce the Soviet to recognize Manchoukuo.

2. Each nation has its own national policy and ideology even at present there are monarchies and republics, dictatorships and democracies. Sometimes nations have fought each other for the sake of these fundamental principles, but generally they maintain peaceful intercourse in spite of differences in ideologies. It is true that the Soviet Union has a very particular national ideology, and that she strove for world revolution in the early years of her foundation, but she has recently been concentrating on the development of her domestic economy. The present Communist activities in Japan are a cause of considerable concern, and it is true also that they have some relationship with the Soviet Union; but we should meet this problem by suppressing Red elements at home, on the one hand, and by solving domestic problems which give rise to the Red movement, on the other. By our so doing the Bolshevik menace will be greatly reduced. As to the economic

aggression of the Soviet Union, it is true that we have to keep sight of her dumping and other policies, but it is not to be expected that it will seriously disturb Japan's economy in the near future. To say that the Soviet Union will shatter Japan in ideological war is to exaggerate her strength. It should be noted in this connection that a non-aggression pact is to promote friendly relationships between the two countries.

3. For fifteen years it has been repeatedly said that the Soviet régime would be overthrown. The Soviet Government launched on the Five-Year Plan for the rapid development of heavy industries, at the cost of diminishing the production of daily necessities for the people. The new system of group agriculture has not shown favorable results, and the crops have been poor since last year in the main agricultural districts of Ukraine and north Caucasus. It may be true that there is some unrest in a few localities, in the circumstances of the people's lives being extremely impoverished and the national finance also in straitened condition; but it is hardly to be expected that unrest from these causes is such that it would endanger the Soviet Government. The Soviet Government bestows favored treatment upon workers and the army and has their confidence. Whenever farmers attempt an uprising the government can easily bring them under control. Moreover, the Russian people have been accustomed to oppression during the Czarist régime for hundreds of years, and they are passive by nature. An argument against a non-aggression pact on the basis of the instability of the Soviet régime is not well founded.

4. If we attain successful development of Manchoukuo, our position in the Far East vis-à-vis the Soviet Union will be very favorable. It is therefore advisable to conclude a non-aggression pact now to maintain friendly relations with the Soviet and do our best to develop Manchoukuo.

5. International intervention or blockade of the Soviet Union is by now out of the question. All nations decide their Soviet policy in accordance with their own interests. France has recently concluded a non-aggression pact with the Soviet Union, and the United States is inclining to recognition of the Soviet Union to promote trade and to maintain peace in the Far East. A non-aggression pact would not disturb our relations with other Powers, but would rather prove to the world our peaceful intentions.

6. Communism in a country is caused mainly by circumstances within the country. We on our part should eliminate the causes on the one hand, and enforce proper regulations against these activities on the other. Political approach toward the Soviet Union would not necessarily stimulate Communism in Japan. Moreover, prohibition of propaganda would constitute one of the important items in a non-aggression pact. It would be inadvisable

to oppose the conclusion of a non-aggression pact on the ground that it would lead to more Communistic activity or propaganda.

7. The Soviet Union at present is trying to avoid conflict with Japan as much as possible, and conclusion of a non-aggression pact would not bring about an aggressive attitude of the Soviet. It is our intention to solve such pending issues as those of the Chinese Eastern Railway and the Northern Saghalien concessions along with the conclusion of a non-aggression pact. If we could solve these issues, our position after concluding such a pact would be no worse than before.

8. It is the intention of the Soviet Union to conclude a non-aggression pact in addition to the Soviet-Japanese Basic Treaty and the Kellogg-Briand Pact. In so doing she intends to include special stipulations in accordance with the special relations between the two countries. (The non-aggression pacts concluded by the Soviet Union with other countries contain provisions not only for territorial non-aggression and neutrality, but for economic non-aggression and against propaganda, and also for procedures of conciliation.) Inasmuch as it is our desire to improve and stabilize our relations with the Soviet Union, there is no reason why we should not meet this desire of the Soviet by the conclusion of a non-aggression pact.

For the reasons hereinbefore stated, there are no reasons why such a pact should not be concluded. It is recommended that the pact be concluded and that thereafter we proceed with negotiations on the questions of the recognition of Manchoukuo, the purchase of the Chinese Eastern Railway, and pending issues relative to our concessions in Northern Saghalien. If, however, our present domestic situation does not permit of the conclusion of such a pact, we should first of all endeavor to tranquilize the relations between the two countries, and keep in close touch with Manchoukuo with respect to her policy vis-à-vis the Soviet Union, thereby solving the various pending issues between Japan and Russia.

In order to realize the aims indicated above, it is recommended that in the economic sphere we conclude a trade agreement or a commercial treaty in order to increase Japanese-Soviet trade and solve pending economic problems, thus promoting economic relations between the two countries. In the political sphere it is recommended that effective measures be found to prevent military clashes along the border regions between Japan and Manchoukuo and the Soviet Union. In this connection the problem of demarcation of the Soviet-Manchoukuo border should be solved (see Note 1); a system should be established by peaceful means for Soviet-Manchoukuoan management of the Chinese Eastern Railway on a basis of equality; and steps should be taken for the purchase of Soviet rights and interests in that railway (see Note 2); thereby eliminating all

sources of trouble between Manchoukuo and the Soviet Union.

Note 1 -- The problem of demarcating the boundary was pending even before the establishment of Manchoukuo. Left unsettled, it is a source of trouble over the question of border patrols and the regulation of smuggling, and might become a threat to peaceful relations. On the question of demarcation, the Soviet Union gave its agreement in principle as early as 1924 in an agreement with China and the Mukden régime. Although there may be difficulties, the question should be solved as soon as possible.

Note 2 -- The Chinese Eastern Railway was built by Czarist Russia as an instrument for the exploitation of the Far East. It is utilized not only for purposes of economic development, but also for purposes of Bolshevist propaganda. In the Soviet-Chinese Treaty of 1924, it was provided that the railway should be jointly operated by the two countries on an equal basis, but as the Soviet Union has retained superiority even up to the present, various troubles and disturbances have been caused by the inequality. For the sake of order and security, as well as of the economic development of Manchoukuo, it is not desirable that Russian influence over the railway remain even if the basis of equality be restored, nor is it desirable for the future of Japanese-Soviet relations. In the last analysis, it is most desirable that the Soviet Union withdraw completely all its interests in the railway. However, since we cannot justifiably obtain Russian interests in the railway by forcible measures, it is only reasonable that we purchase their share in it. It is true that the cost is great, but other means such as force would raise the cost still higher inasmuch as it would mean the loss of international confidence by Japan and Manchoukuo.

E. RECOMMENDATIONS

Our relations with European and American countries are as reviewed above. Since the Manchurian Incident, various European and American countries have charged Japan with having practically ignored her treaty obligations and embarked on aggressive actions. It is an undeniable fact that these countries are apprehensive that Japan should engage in such actions whenever an opportunity is afforded. As a result, Japan has, since the year before last, as much lost international confidence as she has enhanced her military prestige. In modern international society resort to arms and force is a matter of the utmost seriousness, especially among the

- great Powers, and every possible effort should be made to avoid it. There are not a few instances in history of the unjustifiable use of armed force's resulting in failure. We should not repeat acquisition in violation of principle, then in reliance on the principle insist upon retention of the gains. Respect for truthfulness should be alike among nations as among individuals, for it is manifest that when a nation forfeits international confidence it is ultimately the loser. What is urgently called for in Japan at the present moment is to develop Manchoukuo, which will require no small amount of time, effort and expense. If we succeeded in this our position in the Far East would be stabilized, thereby contributing to our being one of the world powers; but if we failed all our efforts would be lost and we should have to withdraw entirely from the Continent. Circumstances being as they are, we have to be very careful until we prove substantial achievement in developing Manchuria and Mongolia. It is most inappropriate to launch on a reckless adventure--not only military, but economic, financial or otherwise--without prospect. It is only last February that forty-odd nations in concert opposed Japan in Geneva. Should we see further disturbances, it is likely that these nations would in concert deal with Japan. It is essential therefore that for many years to come, while we are striving for the successful development of Manchoukuo, we should avoid trouble with other countries, unless trouble is forced upon us. As regards China, where we are now confronted with armed resistance, we may be obliged to cope with it, but we should if any opportunity offers itself immediately lay down our policy for the speedy restoration of good will, and strictly abide by it and prove our good faith to the world.

Present indications are that if Japan should clash with any of the world Powers, it is strongly to be apprehended that it would be with one of two of them: one is the Soviet Union and the other the United States.

As mentioned above under A(6), the Soviet Union at present not only is making efforts to avoid conflict with us, but it is not in a position to apply either military or economic pressure against us in the near future. This is a point to which we should give our attention in establishing our Soviet policy.

In case it should become inevitable for us to come to armed conflict with the Soviet, it is most desirable to make a common front with Britain and America. However, as it is clear that the Soviet is making efforts to avoid such an eventuality, other Powers would not support Japan but would rather condemn Japan as an aggressor. We should by all means avoid any clash with the Soviet Union.

Moreover, the Soviet Union recently has come increasingly to understand Japan's power in the Far East. This understanding should become greater if Japan's achievements in the development of Manchoukuo henceforth increase. We should avail ourselves of this tendency. First of all, Manchoukuo's position in the Chinese Eastern Railway should be consolidated so that the railway may in reality be placed under joint management. Thereafter, for the reasons given in A(6) above, the railway should be purchased and the boundary demarcated as soon as possible.

As to matters which directly concern the Soviet Union and Japan, it is advisable, first of all, that we begin from now to consolidate our position in regard to the negotiations for the revision of the fisheries convention which is expected to take place the year after next. At the same time, efforts should be made to have Russia relax the application of laws with respect to petroleum rights in Northern Sakhalin, and permit our oil companies to develop their enterprises there. Regarding the various other rights in Eastern Siberia also, we should make efforts to have the Soviet Union make available to us those which offer good prospects.

It is, furthermore, advisable that a non-aggression pact be concluded as soon as possible for the reasons given in A. However, as it is still premature, and there being some doubt whether the Soviets now still desire the conclusion of the pact, as they did last year, this question may be left pending for a time. Yet, in order to calm relations between the two countries, steps should be taken to prevent the clash of troops and patrols along the Soviet-Manchoukuo border and to localize any such incidents.

As stated in A(1), the basic policy toward the United States should seek to obtain American reconsideration of their Far Eastern policy and to prevent war. As the United States does not desire the exercise by Japan of absolute superiority over the entire Far East, Japan should not, on her own part, make this her actual policy in the foreseeable future. Our concern is the development of Manchuria and Mongolia, whereas the actual desire of the United States is to promote markets and develop enterprises in China and other parts of the Far East. This being the case, the interests of the two countries could be adjusted if the principle of the Open Door and equal opportunity were realized in the Far East.

As American public opinion is generally ready to accept Japan's occupying a superior position in the Far East, we should endeavor to make America understand the present situation in Manchuria and Mongolia. In China proper, we should cooperate in the development of that country with other Powers, especially the United States and Great Britain. As a concrete step toward stabilizing relations between Japan and the United States and establishing the fundamental policy already referred to, it is necessary to push forward efforts

to conclude the treaties of arbitration and mediation proposed by the United States.

In the light of present international developments, a divergence of opinion is likely to occur between the two countries at the naval disarmament conference scheduled to be held in 1935. If matters were left as they stand, agreement on disarmament would naturally fail to be reached, and as a result the agreement for the maintenance of the status quo with respect to fortifications in the Pacific would be abrogated. The consequences which would ensue--an armaments race, leading to a Japanese-American war--would ultimately bring about a world war. How unfavorable would be the results to Japan has already been pointed out. We on our part should make every effort to have the United States reconsider her Far Eastern policy and, at the same time, reconsider our own disarmament policy.

France and Germany, as indicated in A above, would not go so far as to commit themselves, where Far Eastern problems are concerned, to taking the same attitude as Japan even in opposition to the United States and Great Britain. Our efforts toward these countries should be confined to promoting friendly relations.

Lastly, regarding our relations with Great Britain. From former times, that country has not only had enormous stakes in China, but, from the fact that India is her lifeline, it has been essential for her to give no little consideration to the maintenance of friendly relations with Japan. On the other hand, Britain's world position in the Far East ranks second to that of the United States. As she has many interests in China which are common with our own, room for collaboration between us is great as compared with other countries. Should it happen that a clash between Japan and the Soviet Union became unavoidable, we should have to get Britain on our side, in view of fundamental differences of interests between Britain and the Soviet Union. Furthermore, Britain occupies, by the nature of her relations with the United States, a position which enables her to mediate and reconcile the relations between the United States and Japan, and for that reason promotion of friendly relations and collaboration between Great Britain and Japan is highly essential.

Supplement: POLICY TOWARD THE STATES BORDERING THE SOVIET UNION,
NEAR EASTERN AND AFRICAN STATES

Among the states bordering the Soviet Union, the Baltic states which became independent from Czarist Russia (i.e., Finland, Estonia, Latvia, Lithuania and Poland) and the Eastern states (i.e., Turkey, Persia and Afghanistan) are in general arenas of competition of Great Britain and the Soviet Union. The Baltic states having long

been oppressed by Russia and Turkey, and Persia and Afghanistan having close racial affinity with Japan, they entertain sympathy and esteem for Japan. In our relation with the Soviet Union these states are important as a foothold in case it should become necessary for Japan to check her from behind; in relation to Great Britain it is possible to check her from the Near Eastern states. Although these states have few interests in common with Japan, and as to Poland it is doubtful whether she would be of much use to Japan in case of emergency because of her German relationship, it is advisable for Japan to promote her position in these states from the aforesaid considerations as well as for our economic interests.

Of these states, Japan has already established embassies or legations in Latvia, Poland, Rumania, Turkey and Persia, but there is no such establishment in Afghanistan. Afghanistan has long desired to establish a friendly relationship with Japan and a treaty of amity has recently been concluded between the two countries. Moreover, she desires assistance in developing her domestic production from Japan rather than from either Great Britain or the Soviet Union, in order to avoid falling under the influence of either of these two countries. It is therefore necessary to exchange ministers at the earliest opportunity, to meet her desire, to make her our foothold against British India or Soviet Central Asia in case of emergency, and also to promote our economic interests.

Finally a few words on the African states. Egypt severed her ties with Great Britain and became independent in 1922, but it seems Great Britain and other European Powers have rather strong influence over her through extraterritoriality and other relations. Inasmuch as Egypt, having the Suez Canal, is important for Japan in case of emergency, and as she is the trading center of the Near East and Africa, it is necessary to establish our legation in Egypt as soon as possible. Ethiopia having been a market for our textile and other products, having already concluded a treaty of amity with Japan, and being desirous of promoting intimate relations with Japan, it is advisable that our legation be established there in the near future.

Def. Doc. # 146

Def. Doc. No. 146

Translation Certificate

I, Charles D. Sheldon, Chief of the Defense Language Branch,
thereby certify that the foregoing translation is, to the best of
my knowledge and belief, a correct translation and is as near
as possible to the meaning of the original document.

/s/ Charles D. Sheldon

Tokyo, Japan
Date 14 March 1947

"On the Foreign Policy of Japan Vis-a-vis Europe and America
Following Withdrawal from the League of Nations."