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Excerpt from "Foreign Relations of the United States, Japan 1931-1941"

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711.942/393: Telegram

The Secretary of State to the Ambassador in Japan (Grew)

Washington, December 20, 1939-7 pm

405. Your 686, December 18, 6p.m., 687, December 18, 10 p.m.,

691, December 19,7 p.m., 692, December 20,11 a.m., 5 and

related telegrams.

under reference. The Department concurs in your view that it would not be advisable in response to the initiative taken by the Japanese Minister for Foreign Afairs to return a categorical negative which would serve to close the door to further discussions and to discourage the efforts of the Japanese Government. At the same time we are not in position to commit curselves now to entering upon a negotiation. We are inclined to feel that the negotiation of such treaty in abeyance until the Japanese Government should have carried out certain assurances would be likely to produce more potentialities of misunderstanding and of disadvantages than would a treatyless condition. We are receiving numerous inquiries with regard

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to the effect which termination of the treaty will have upon relations between the United States and Japan. To these inquiries we are replying that the absence of a commercial treaty does not of itself cause an interruption in commercial relations; that in such circumstances those relations are governed in each country by its municipal law or practice, subject, of course, to any condicable principles of anti-relation of the treaty of 1911 with Japan will not produce of itself and change in the general customs duties or treatment abolicable to imports of Japanese goods into the United States; and that, similarly, there does not appear reason to expect that the termination of the treaty will produce of itself any marked changes in the general customs duties or treatment applicable in Japan to imports from the United States.

With regard to the proposal made by the Minister for Foreign Affairs that a medus vivendi be entered into, we prefer to leave our attitude toward that proposal open for the time being. We shall give the matter consideration but wish to know that our tentative thought is that any medus vivendi which might upon further study commend itself to us under existing circumstances would have to be of a very limited scope to relate principally to rights of establishment and not of trade, and to be of a character which would leave this

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Government free to impose restrictions upon trade in case developments should make such course appear necessary toward better mafeguarding American interests.

The Department is hoping to be able to send you tomorrow in continiation of the above a suggested text of a statement which we feel you might helpfully make orally to the Minister for Foreign Affairs.

Hall