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Dean
ANGLO-AMERICAN FAR EASTERN POLICY IN A TIME OF DECISION, OCTOBER-DECEMBER, 1938

BY

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INTRODUCTION

The most spectacular diplomatic event of 1938 came when Adolph Hitler demanded, and got, the Sudetenland at the Munich Conference on September 29th of that year. At the same time, however, events were occurring on the other side of the world which, while less spectacular, were to prove just as portentous for the future.

A war, nonetheless vicious for the fact that it was undeclared, was in progress in the Far East in 1938. The uneasy peace of the Orient had been shattered in July of 1937 with the renewal of armed hostilities between Japan and China. By the middle of 1938 it had become clear that an early end to the conflict was unlikely.

Great Britain and the United States, the two major Western powers with interests in the Far East, maintained a policy of official neutrality in the early years of the dispute. The British, deeply involved in European problems, could give only secondary attention to the Far East. The United States, on the other hand, was much less concerned with European affairs, partly because most Americans were determined not to become
involved in any foreign controversy, regardless of where it occurred.

Just as the Far Eastern problem received a comparatively limited amount of attention in the latter part of 1938, so also has the concern of historians regarding those months tended to concentrate on European affairs. The Far Eastern question has not been ignored, it has simply been relegated to a position of secondary importance. This tendency is, of course, much more pronounced in treatments of British policy than it is in the consideration of American policy of the pre-World War II period.

There is, in fact, a certain amount of controversy among historians regarding the significance of the year 1938 in the development of American foreign policy. According to the revisionist school, led by Charles A. Beard and Charles C. Tansill, 1938 was a year of failure in the field of foreign affairs for the Roosevelt Administration.\(^1\) The revisionist interpretation

\(^1\)The best examples of this are: Charles A. Beard, American Foreign Policy in the Making, 1932-1940: A Study in Responsibilities (New Haven: Yale University Press, 1945), and Charles C. Tansill, Back Door to War: The Roosevelt Foreign Policy, 1933-1941 (Chicago: Henry Regnery Co., 1952). Less detailed examples may be found in the collection of essays edited by Harry Elmer Barnes, Perpetual War for Perpetual Peace: A Critical Examination of the Foreign Policy of Franklin Delano Roosevelt and Its Aftermath (Caldwell, Idaho: The Caxton Printers, Ltd., 1953).
is based on the assertion that Roosevelt was forced to beat a retreat from the position taken in his famous "quarantine speech" of October 5, 1937, and was able to do nothing of similar significance during the entire year of 1938. On the other hand, historians more favorable to Roosevelt, such as Basil Rauch, see 1938, particularly the latter months, as a highly significant period in the development of Rooseveltian foreign policy.  

Determination of the relative importance of the events of the last three months of 1938 in the evolution of American Far Eastern policy, then, is one of the major purposes of this study.

However, Great Britain's concern in the Far East was comparable to that of the United States. Therefore, a study of the Far Eastern policy of both countries is necessary to gain something approaching a clear picture of the position taken by either of the democracies. Despite the Czechoslovakian crisis, the British Foreign Office continued to devote considerable attention to the Far East, where the British had large commercial interests. Thus, another major purpose of this study is an understanding of British Far Eastern policy in a period

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2Rauch's book, *Roosevelt from Munich to Pearl Harbor: A Study in the Creation of a Foreign Policy* (New York: Creative Age Press, 1950), is written as a rebuttal to the revisionist interpretation.
of crisis and reorientation.

The similarity of British and American interests in the Far East provides the basis for another question considered here; the extent, if any, to which parallelism was used or considered in dealing with the Far Eastern problem.

The last three months of 1938 appear, at first glance, to be no more significant than any other three-month period in the last few years before Pearl Harbor. However, it is hoped that this study will show that these months constituted a period of basic importance in the development of American and British Far Eastern policy. The period under scrutiny saw the governments at Washington and London take a definite stand of friendliness to China and opposition to Japanese policies. By means of a detailed study of the diplomatic documents and other pertinent sources of the period an understanding of the formulation of this policy can be gained.

The diplomatic documents of the period have been published by both countries and the use of these has been supplemented here by memoirs and diaries, as well as leading newspapers and secondary works.
CHAPTER I

WAR AND NEUTRALITY

To the casual observer in 1937, the Far Eastern world appeared tranquil and serene. In reality, the Orient was a seething cauldron of unrest, suspicion, and hostility which boiled over on July 7, 1937, when Chinese and Japanese troops exchanged shots near the city of Wanping, China, at the east end of Lukouchiao (the Marco Polo bridge). Warfare, originally begun in 1931 and halted by an uneasy truce in 1933, resumed. It continued until the end of World War II.

Western involvement in Far Eastern affairs predated these events by many decades. The United States and Great Britain had become the most deeply concerned, and, therefore, faced the problem of developing a prudent and effective policy toward the warring nations. There were numerous factors which went into the formulation of the policies followed by the two countries.

In the United States isolationism and neutrality were the guiding principles of foreign policy; as they had been since shortly after the end of World
War I. Legislation had, in fact, been passed to guarantee that these principles would not be violated. On August 31, 1935, Congress passed the first Neutrality Act, which provided for an embargo on the export of implements of war to belligerents. The law also gave the President discretionary power to prohibit travel on belligerent vessels by American citizens, except at their own risk. An extension of the Neutrality Act, on February 9, 1936, placed an embargo on loans to nations at war, while exempting American republics from the provisions of the law. Then, on May 1, 1937, Congress passed a stronger Neutrality Act, giving the President the power to apply the arms embargo whenever two foreign states were at war or when dangerous civil strife occurred in another country. The disillusionment which followed World War I had made isolationist sentiment an obsession with many Americans. This feeling had found ready spokesmen in many Congressmen.

Neutrality also held sway as the major feature of British policy toward the Far Eastern imbroglio. That country's greatest concern was that the conflict

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be brought to an early settlement. There was no thought of isolation, only a hopeful desire for a peaceful termination of hostilities which would be equitable to the parties concerned, while leaving British commercial interests intact. Furthermore, His Majesty's Government needed to be free to deal with the increasingly threatening European situation, due to Adolph Hitler's warlike gestures. The British were quite willing to provide the machinery and, in fact, the labor for mediation of the dispute, provided an acceptable opportunity arose. Within a week of the Marco Polo bridge incident, the British Government made it known that it would consider mediation.³

The American Government, on the other hand, made no offers of mediation, though it expressed a desire for a settlement of the dispute. Secretary of State Cordell Hull issued a statement on July 16, 1937, which deplored the use of force as an instrument of policy, and declared, in general, that the United States favored peaceful settlement of international disputes.⁴


⁴Cordell Hull, The Memoirs of Cordell Hull (2 vols.; New York: The Macmillan Co., 1948), I, 535-36. This statement was communicated to most of the nations.
The question of mediation was rejected. The State Department felt such a move would be "premature and ill-advised." In other words, the United States was convinced that the best way to avoid "burnt fingers" was to keep them out of the fire.

Thus, both the United States and Great Britain were exceedingly cautious in their approaches to the Far Eastern question. The former limited itself to a statement of principles. The latter was willing to go as far as suggesting mediation, but drew the line at that point. For the British, deep involvement in European politics made it necessary, first, to reject the idea of sanctions as being too dangerous, and, second, to avoid any major action without the support of the United States.

President Franklin D. Roosevelt indicated a willingness to give American support to positive action of the world. Only tiny Portugal questioned the wisdom of attempting to solve serious problems by "vague formulae."  


in the Far East on October 5, 1937, in his famous "quarantine speech." Roosevelt suggested that perhaps aggressor nations should be treated as diseased persons, that is, quarantined to protect the rest of mankind. The reaction to the speech revealed overwhelming opposition to Roosevelt's suggestion. Many years later there was still a certain element which regarded this speech as a turning point in Japanese-American relations, and a direct cause of Japanese disregard of American rights. The Roosevelt Administration had suffered a psychological defeat in its attempt to lead the American people into the arena of international politics. Without public support a positive line could not be pursued. In addition, a highly influential group, comprised of those who traded with Japan, was opposed to a possible "quarantine."  

Thus, as the final months of 1937 approached, the policy of the Western democracies continued to be

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limited to declaration of principles. Great Britain waited for her offspring across the Atlantic to take the lead in opposing Japan, but the United States showed little inclination to step into the role being proffered.

The League of Nations had, on October 6, 1937, decided that Japan's actions were contrary to the Nine-Power Treaty of February 6, 1922, which guaranteed the territorial integrity of China, and the Kellogg-Briand Pact of August 27, 1928, which supposedly outlawed war (despite the fact that neither treaty was League sponsored). In addition, the League recommended that member nations try to avoid any action which might harm China and consider the possibility of extending aid to that nation. As a member, Great Britain agreed in principle with the League's findings. However, no indication was given of planned action along the lines recommended. Meanwhile, the United States Department of State issued a press release on the same day as the announcement of the League's resolution, stating that the American

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Government agreed with the report.10

A further attempt to bring about American leadership in opposition to Japan was made at the Brussels Conference of November 3-24, 1937. This fifteen-nation conference on the Far Eastern problem was called at the instigation of Great Britain. It was attended by all signatories of the Nine-Power Treaty except Japan, who declined an invitation to participate. Japan's refusal to submit her actions to the scrutiny of an international panel was not surprising in the light of her indifference to the League of Nations' earlier condemnation. Great Britain, along with the other Western powers in attendance, waited for the United States to take the leading role. When the American delegation refused to do so, the conference adjourned with nothing to show for its efforts but a general declaration of principles. It was becoming clear that while the United States, as well as Great Britain, wished to restrain Japan, the willingness to accept the consequences of doing so was absent.11


Within a few weeks of the abortive Brussels Conference, Anglo-American policy was put to the test by the Japanese. On December 12, 1937, Japanese planes bombed and sank the American gunboat, the Panay, on the Yangtze River. At the same time a British gunboat, the Ladybird, was also bombed. The United States and Great Britain protested separately, received apologies and indemnities, and the incident was closed. It was, however, much more significant than the relatively simple settlement indicated. First, it foreshadowed the extremely patient attitude which would be taken in regard to Japanese recalcitrance. Second, it revealed the opposition in the United States to adopting a policy of parallelism with the British. Two days after the incident occurred, Sir Ronald Lindsay, British Ambassador to the United States, came to Cordell Hull and informed him that Anthony Eden, British Secretary of State for Foreign Affairs, was disappointed that the United States had gone ahead with the protest without consulting with the British. Eden would have preferred joint action and even felt that a show of force might have been desirable. The American State Department disagreed with both of these suggestions. 12

12 Hull, I, 561-62.
to foreign entanglements was equally strong with respect to both friendly and unfriendly nations.

As 1937 faded into history, further events made it clear that Anglo-American co-operation was not to be considered a foregone conclusion. In January of 1938 Roosevelt had a proposal drawn up which aimed at achieving peace through international co-operation. While directed primarily at easing European tension, the President hoped that a secondary effect would be that of sufficiently weakening German and Italian support of Japan to cause her to come to terms with China.\(^\text{13}\)

British Prime Minister Neville Chamberlain, however, rejected the idea of an international effort. He felt such a move, at the moment, might be harmful to British attempts at appeasement.\(^\text{14}\) Roosevelt agreed to this, but expressed concern over British willingness to recognize the Italian conquest of Abyssinia and warned of the possible bad effect on Japanese action.\(^\text{15}\) Nevertheless, for the time being, Roosevelt made no further

\(^{13}\text{Memo., Welles to Roosevelt, January 10, 1938, Foreign Relations, 1938, Vol. I: General, pp. 115-17.}\)

\(^{14}\text{Chamberlain to Roosevelt, January 14, 1938, Ibid., pp. 118-20.}\)

\(^{15}\text{Roosevelt to Chamberlain, January 17, 1938, Ibid., pp. 120-22.}\)
proposals. Without encouragement from abroad, and lacking support at home, the President had little choice but to bide his time. A strong policy toward Japan at the time would have been unrealistic, as a Gallup Poll in January of 1938 showed that 70 per cent of those questioned favored complete American withdrawal from China.16

Roosevelt's action did not, however, completely clear the way for Chamberlain's march down the road of appeasement. Opposition within the latter's Cabinet came from Anthony Eden, His Majesty's Secretary of State for Foreign Affairs. A combination of factors, including Eden's antipathy toward appeasement, and his determination to direct the affairs of the Foreign Office free of domination from above, led to his resignation on February 20, 1938. The Earl of Halifax, who had been Lord President of the Council, was appointed to succeed Eden. Chamberlain replied to the objections against the appointment of a peer by stating that he, personally, would take the responsibility for answering for the Foreign Office in Commons. From this point on, Chamberlain exercised much more definite control.

over foreign policy.17

By mid-1938, sympathy in both countries was clearly on the side of China. Consideration was given to concrete expression of that sympathy, but caution continued to predominate. Roosevelt had not invoked the American Neutrality Laws, partially because a state of war had not been declared. But he also pointed out, in a press conference with members of the American Society of Newspaper Editors on April 21, 1938, that if the United States invoked these laws China would be hurt. Japan, because of her control of the seas, could continue to get non-strategic materials from the United States, while China would be unable to get either munitions or non-strategic materials.18

However, Roosevelt was not prepared, as yet, to send aid to China. On May 27, 1938, Secretary of the Treasury Henry Morgenthau suggested a loan to China to

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enable her to purchase flour and cotton goods, but Roosevelt and Hull were opposed. Hull, particularly, feared antagonizing Japan. 19

The British, fearful of war with Germany and Italy as well as with Japan, were similarly reluctant to cause undue provocation. Furthermore, it was felt that if a losing Chinese effort were backed, British prestige would suffer much more than if China were to lose without such backing. 20 The British further demonstrated their unwillingness to antagonize Japan by acquiescing to the Anglo-Japanese Customs Agreement of May 2, 1938. According to this agreement, duties collected by the Chinese Maritime Customs in areas under Japanese control were to be handled by the Japanese first. Though the Agreement never went into effect, it was a de facto recognition of Japanese control over certain parts of China. 21


21 British Documents, VIII, 14, n. 6.
While the suggestion of direct aid to China was rejected, Great Britain continued to search for an opportunity for a peaceful end to the conflict. On July 26, 1938, Sir Robert Craigie, His Majesty's Ambassador in Japan, began a series of talks with General Kazushige Ugaki, Japanese Minister for Foreign Affairs. Though not an extreme militarist, the fact that Ugaki held this post was illustrative of the growing influence of the military in Japan. The talks continued, fruitlessly, until Ugaki resigned on September 29. 22 In the meantime, the British continued to explore the possibility of mediation. Lord Halifax suggested to Sir Robert Craigie that since China seemed concerned about its ability to continue the struggle, Great Britain might consider extending her "good offices." Halifax was careful to emphasize the use of "good offices" rather than "mediation." He also noted the necessity of keeping "in step with the Americans." 23 Craigie, however, showed little enthusiasm for either mediation or good offices. On August 16 he reported to Halifax:


23 Tgm., Halifax to Craigie, August 10, 1938, British Documents, VIII, No. 11.
that he and Joseph C. Grew, American Ambassador in Japan, agreed that there was no chance of such offers being accepted. The two had learned through experience that negotiation with Japan was at best a difficult task. Subsequently, Halifax informed Sir Archibald Clark Kerr, British Ambassador in China, that the Chinese Ambassador had been told that the United States and Great Britain agreed that the time was not right for tendering good offices. Thus, the dim hopes for an early and easy settlement of the Far Eastern conflict darkened still further.

With the realization that Japan was committed to continued effort in China came decisions to make limited attempts to convince the former of the seriousness with which her course was viewed. On June 30, 1933, a Naval Escalation Protocol was signed by the United States, Great Britain, and France announcing that capital ship tonnage would be raised from 35,000 to 45,000 tons because Japan had refused to furnish information regarding its naval construction, as provided by

24 Tgm., Craigie to Halifax, August 16, 1933, Ibid., No. 27.

25 Tgm., Halifax to Clark Kerr, August 19, 1933, Ibid., No. 35.
the London Naval Treaty of 1936.26

Concern had also arisen in the United States by the summer of 1936 over Japanese purchase of vital materials from American firms. One of the most outspoken critics of this practice was former Secretary of State Henry L. Stimson, a strong opponent of isolation. On June 9, 1938, for example, he had written a letter to Hull regarding the shipment of scrap metal to Japan.27 Concern such as this was shared by the Roosevelt Administration, and, on July 16, 1938, Hull sent a letter to all manufacturers registered as exporters of planes. The letter stated that the United States Government was strongly opposed to the sale of planes to any country engaged in the bombing of civilians.28

Once again, the United States had revealed a desire to restrain Japan without doing anything which might antagonize her. Throughout the first year of the conflict, isolationist fear of involvement kept the United States from taking any action resembling reprisals.


28Hull, I, 569.
Therefore, the American Government was limited to verbal disapproval of Japanese action.

As for Great Britain, a positive policy was deemed unrealistic and impossible without American support. Then, in September, the already clouded European scene darkened ominously. Adolph Hitler stepped up his threats and demands for control of the Sudetenland, threatening to plunge the entire European continent into war. The attention of Great Britain, in particular, and, to a lesser extent, that of the United States, was drawn away from the Far East. A temporary lull took place in Anglo-American dealings with Japan and China.
CHAPTER II

AFTER MUNICH: WATCHFUL WAITING

On September 13, 1938, The New York Times noted in an editorial:

The virtual paralysis of Britain and France because of the European situation leaves the United States the only great power not hindered by any involvements to act as the effective mouthpiece of third-power interests and the United States obviously cannot successfully fight such diplomatic battles alone.

The editorial went on to point out that a European war, or even continued tension, would be advantageous to Japan. As the European crisis reached a climax, the validity of this succinct evaluation became more and more obvious.

Those engaged in fighting the "diplomatic battles" fully realized the effect of the European situation upon the Far East. Sir Robert Craigie, British Ambassador in Japan, informed Lord Halifax on September 15 that since July dealing with the Japanese had become more difficult. He conjectured that strengthened German-Japanese ties may have been the cause. Treating with

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the Japanese was harder, he concluded, because of, "... our pressing preoccupations in Europe and the supineness of the United States."²

As the European crisis worsened day by day the British realized that more and more dependence would have to be placed upon the United States for upholding Western rights and interests in the Far East. Craigie pleaded with Joseph C. Grew to "'keep Japan guessing!'" regarding American action in East Asia. He felt that if Japan were kept in doubt as to what the United States might do, the result would be a restraining influence on Japanese flouting of Western rights.³

Despite the fact that Cordell Hull, at least, held no doubts as to the true intentions of Japan, the State Department continued its cautious policy. Hull was convinced that Japan was planning domination of the entire Far East and would use every possible means to


attain that goal. Furthermore, the Chinese were making their first specific requests for economic aid by late September. A delegation headed by Mr. K. P. Chen arrived in the United States on September 22 hoping to negotiate a loan. Herbert Feis, State Department Adviser on International Economic Affairs, reported that Chen had told Henry Morgenthau, Secretary of the Treasury, that the Chinese were getting desperate. Morgenthau strongly favored the loan, fearing that this might be the last chance to give effective help to China. Though the question of whether aid to China was diplomatically advisable was outside his department, the Secretary of the Treasury was a frequent intruder into State Department affairs, attempting to air his anti-isolationist feelings.

But neither pressure from the British nor advice from the Treasury Department were sufficient to persuade

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the State Department to act as yet. An important consideration was the fact that public opinion continued to be strongly opposed to definite action on the part of the United States. A Gallup Poll taken on September 23 showed that seventy-three per cent of those questioned preferred stronger neutrality legislation by Congress as a means of keeping out of war, opposed to twenty-seven per cent who favored leaving this task to the President.

The British, meanwhile, were constrained to relegate all non-European considerations to a role of secondary importance. One of the first steps taken was that of moving British troops in China to less vulnerable positions, a decision which produced strong opposition from Sir Archibald Clark Kerr, Ambassador in China. Clark Kerr voiced concern over the impression given by the withdrawal of a battalion from Shanghai to Hong Kong without consulting the United States and France. He was particularly opposed to the possibility that all British troops might be withdrawn from China in the

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6 Memo. by Counselor of the Department of State R. Walton Moore, September 24, 1938, Foreign Relations, 1938, III, 563-64.

event of war. Even if Japan declared war, he believed, the troops could make a "last minute dash." With the signing of the Munich Agreement, and the consequent easing of tension, Clark Kerr's wishes were granted. He was informed on October 3 that the troops would not be withdrawn for the present, and at no time without consulting the United States and France. Halifax told Clark Kerr that they would, however, be withdrawn in the event of war with Germany.

To the United States the Czechoslovakian crisis presented no immediate, direct threat of war, but the long range threat was fully recognized. Roosevelt sent a note to the powers concerned, urging the peaceful settlement of their differences. Grew was instructed to present a copy of the note to the Japanese Government and urge a similar communication from Tokyo.

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8Tgm., Clark Kerr to Halifax, September 28, 1938, British Documents, VIII, No. 114. Clark Kerr's consternation over the failure to notify the United States was not wholly justified, as it was given only passing notice by the American State Department. Stanley K. Hornbeck observed that since the British had not given notification, the United States could feel free to do likewise. On the other hand, he saw no need to refuse notification, since it could be given so easily. Memo, by Hornbeck, September 28, 1938, Foreign Relations, 1938, III, 302-05.

9Tgm., Halifax to Clark Kerr, October 3, 1938, British Documents, VIII, No. 123.
Japanese Foreign Minister Ugaki expressed full agreement with Roosevelt's position and attitude. However, he doubted that similar action by Japan would have any effect. Such a move on the part of Japan, who had rejected peaceful settlement of her own disputes, would have appeared hypocritical.

The refusal to send a plea to Germany and Czechoslovakia was one of Ugaki's last duties as Foreign Minister. The following day, September 29, he resigned, and his action proved to be significant in the progressive decay of Anglo-American relations with Japan.

Joseph C. Grew and Sir Robert Craigie concurred in their interpretations of the reason for Ugaki's resignation. Both pointed out to their superiors that Ugaki had opposed the decision by the Japanese Cabinet to place China policy under a proposed "China Organ." The new body was to be outside the authority of the Foreign Office. Ugaki's resignation helped pave the way for an intensified Japanese effort in China.

The developing redefinition of Japanese policy...
coincided with the beginnings of reorientation of American and British policy. In the first place, the Munich crisis had made it clear that Great Britain was inadequately prepared for war, and that rearmament must be undertaken. 12

In addition, within a few days of the Munich Agreement, American officials made known their decision to give increased attention to foreign affairs, particularly Far Eastern matters. President Roosevelt began a gradual process of shifting attention from the domestic to the foreign scene. Roosevelt's attempts of the preceding several weeks to "purge" certain Congressmen who opposed his domestic policies had met with defeat. Thus, the increasingly dangerous movement of events both in Europe and the Far East provided a welcome opportunity to try to turn the attention of the American people outward. 13 But the American people were still much more concerned with Europe than with the Far East. The Chinese problem seemed much less likely to


involve the United States in a war than the European problem. The Pacific was wider than the Atlantic, and non-involvement was, after all, the major concern of Americans.

The State Department, following Roosevelt's lead, prepared the most comprehensive and outspoken American statement to the Japanese since the outbreak of hostilities. The note also marked the first time since the Manchurian crisis of 1931 that an official pronouncement had been made regarding the Open Door in China. This representation, which was made public on October 6, was first sent to Grew on October 1. Grew presented it orally to Japanese Prime Minister Prince Fumimaro Konoye, in his capacity as Acting Foreign Minister, on October 3, and made the formal, written

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15 Tgm., Hull to Grew, October 1, 1938, Foreign Relations, 1938, Vol. IV: The Far East, pp. 43-53; Tgm., Grew to Hull, October 3, 1938, Ibid., pp. 53-55. In his oral presentation, Grew told Konoye the note had come from the President. When the State Department learned of this, Grew was informed that the telegram must have been garbled since no mention of the President had been made. Roosevelt was informed of the error and ratified the use of his name. Grew received instructions simply to omit reference to the President in his formal presentation, and to make no explanation. Tgm., Welles to Grew, October 5, 1938, Ibid., pp. 56-57. Grew told the code clerk who was involved and
presentation on October 6.

The note began with a reminder to Japan that the United States had frequently asked that equality of opportunity in China be respected. These requests, it said, had been ignored, insofar as positive action was concerned. American enterprise in Manchuria had been seriously affected by Japanese restrictions, such as regulation of exchange. Other examples cited were control of telephone and telegraph communication, control of water transportation in the Shanghai delta area, monopoly of the wool trade in northern China, and reported plans for a tobacco monopoly. The note concluded by asking that Japan stop

... discriminatory exchange control, cease any monopoly or preference which would restrict American opportunities for legitimate trade and enterprise, and stop interference with American property and American citizens.16

The United States had set forth its case; the State Department waited for Japan to make the next move.

16Grew to Konoye, October 6, 1938, Foreign Relations, Japan, I, 785-90.

had not double-checked the reference to the President, "God bless you, but don't do it again." Joseph C. Grew, Ten Years in Japan: A Contemporary Record Drawn from the Diaries and Private and Official Papers of Joseph C. Grew, United States Ambassador to Japan, 1932-1942 (New York: Simon and Schuster, 1944), p. 205.
There was a hint, but only a hint, that American patience was wearing thin. The Open Door policy, always stronger in theory than in practice, was being openly flouted by Japan. However, the United States was on safe ground in demanding that it be respected, since Japan was not likely to admit to a desire to shut out American trade.

The possibility that the United States was considering a firmer approach was noted by Sir Robert Craigie when he communicated the contents of the American note to the British Foreign Office. He saw in the note, "... possibly a hint of reprisal." The Foreign Office, however, found itself at a loss as to what policy to pursue in regard to the note. Halifax feared that if Japan met the American demands and later refused the same for Great Britain, the Foreign Office would be in no position to claim that the United States had done more for China because this would not set well with the United States or with the British public. On the other hand, if Great Britain made the same demands now, Japan might refuse to meet the American demands, using the British desires as an excuse. This, of course, would have a bad effect on Anglo-American relations. Halifax

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17 Tgm., Craigie to Halifax, October 10, 1938, British Documents, VIII, No. 134.
confessed he knew of no way out of the dilemma.\textsuperscript{18}

The situation was complicated by the fact that the British had been making renewed attempts to improve relations with Japan. Halifax instructed Craigie to attempt to obtain an interview with Prince Konoye soon after the latter took over the Japanese Foreign Office. While Craigie was to try to gain some satisfaction regarding restrictions on the British in China and the anti-British campaign in the Japanese press, the Foreign Secretary was not optimistic. He said he realized ",... that unless we are prepared to do a deal with the Japanese we are not likely to get much further forward at the moment."\textsuperscript{19} Craigie agreed that an interview would be desirable, though he shared Halifax's pessimism about the outcome. However, he objected to the phrase "do a deal with the Japanese." He felt Britain must "be prepared to give a little as well as to take," but did not think this should be termed in such a manner. He concluded, "I confess to feeling to some extent I have been left to make bricks without straw."\textsuperscript{20}

\textsuperscript{18}Tgm., Halifax to Craigie, October 11, 1938, \textit{Ibid.}, No. 138.

\textsuperscript{19}Tgm., Halifax to Craigie, October 7, 1938, \textit{Ibid.}, No. 128.

\textsuperscript{20}Tgm., Craigie to Halifax, October 8, 1938, \textit{Ibid.}, No. 131.
Despite his complaint, Craigie was given nothing concrete to offer the Japanese. He did, however, tell Konoye that the British would do everything in their power to end terrorism and anti-Japanese activities in the Northern Settlement area in Shanghai.\(^2\)

Beyond this there was little the British could do but mark time. Consequently, Halifax suggested waiting to make any new approaches to Japan until the outcome of the American note was learned. In the meantime, the British would have to avoid being more accommodating than the United States, while being prepared to go as far as the American Government was willing to go. Halifax told Craigie to inform Grew that the British would continue to do whatever possible to improve relations with Japan in general.\(^2\) Craigie agreed to do so, though he discounted the danger of American resentment if Great Britain made the same demands of the Japanese. He reminded Halifax that he and Grew kept each other informed constantly, and that he believed the latter would regard a British protest as "perfectly natural."\(^2\)

\(^{21}\) Tgm., Craigie to Halifax, October 12, 1938, Ibid., No. 140.

\(^{22}\) Tgm., Halifax to Craigie, October 13, 1938, Ibid., No. 149.

\(^{23}\) Tgm., Craigie to Halifax, October 13, 1938, Ibid., No. 150. Both the British and American documents
While the two democracies attempted to solve already existing Far Eastern problems, Japan made preparations which would present them with new ones. On October 12, 30,000 Japanese troops landed at Bias Bay in South China, signaling the beginning of an extended and intensified war effort. The attack was not entirely unexpected as rumors to that effect had circulated for several days before. Craigie had regarded the rumors seriously enough to warn Kensuke Horinouchi, Japanese Vice-Minister for Foreign Affairs, that an attack on Canton could have a serious effect on Anglo-Japanese relations. He feared the possibility of incidents near the Hong Kong frontier and danger of a food shortage in the area. Horinouchi gave assurances that British interests would be respected in all parts of China, but did not deny the possibility of an attack in the South.

When the attack came, the question arose as to whether it was linked to the Munich Agreement. Diplomats close to the scene expressed different opinions.

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Joseph C. Grew regarded the Agreement as having a favorable effect in the Far East. He believed Japan would have preferred a continuation of the uneasy situation in Europe which would have kept attention from the Far East. The Western position was, therefore, strengthened by the easing of tension in Europe. Sir Robert Craigie agreed with him. Sir Archibald Clark Kerr did not. The Ambassador in China left no doubt as to his opinion of the Munich Agreement. In a telegram to Halifax he commented that "... perfidious Albion has been true to form and let her friends down again." He said the Chinese reaction was that Britain was self-seeking, and was hoping that China would exhaust Japan so she would no longer be a danger to Britain. Clark Kerr believed the Munich Agreement had been interpreted by the Japanese as meaning that the British would take almost anything rather than fight.

The widespread relief occasioned in Great Britain by the settlement of the Czechoslovakian crisis was


27 Tgm., Craigie to Halifax, October 13, 1938, British Documents, VIII, No. 148.

28 Tgm., Clark Kerr to Halifax, October 14, 1938, Ibid., No. 152.
not as pronounced in the United States, as a significant faction expressed concern regarding its effect in the Far East. Arthur Krock, writing in *The New York Times*, observed that Japan would be interested in finding out if the British would back down in the Far East, too. Furthermore, he stated, "... Great Britain will have some difficulty, after Munich, in stressing the sanctity of treaties." For the United States, this meant increased responsibility in the Far East.  

Krock's opinion was a popular one despite the fact that Japan had announced as early as September 11 that one of its major objectives was the capture of Hankow by October 1. Although the Japanese had not revealed the means by which they hoped to effect the capture, Hankow was one of the major objectives of the troops which landed in South China, and fell within two weeks of the landing. Failure to advance as rapidly from the North as expected made an invasion of southern China a logical means of re-attempting the capture of Hankow. The Czechoslovakian crisis was, for Japan, a fortunate coincidence in that the attack at Bias Bay came at a moment of low prestige for the British.

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As the Japanese advanced rapidly in southern China, the difficult position of Chiang Kai-shek's troops became more evident. The question of sending aid to the beleaguered Chinese cropped up with increasing frequency. One of the leading advocates was Clark Kerr, who had opposed the Munich Agreement so vehemently. A strong admirer of Chiang Kai-shek, he informed the British Foreign Office on October 12 that he was going to Hankow from Shanghai on October 13 to visit Chiang. One of his reasons for going was to give encouragement to the Chinese, but he wished he could give them more than kind words. He confessed to "feeling parched and barren."  

Clark Kerr's appeal did not bring forth aid to China, but it did elicit an explanation of His Majesty's Government's position on the matter. Halifax informed Clark Kerr that the Cabinet had decided against loans or credits to China on a political basis. As for armaments, the need at home was too great to allow any for China. In regard to such things as export credits, Halifax said, full co-operation had not been received from China. The most significant reasons, however, Halifax left to the last. The Government was reluctant,

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31 Tgm., Clark Kerr to Halifax, October 12, 1938, British Documents, VIII, No. 142.
he pointed out, to get into a position with regard to Japan where the only choices would be backing down or using force. Because of the European situation, British Far Eastern interests could not be defended. The Cabinet considered the United States to be in a much better position than Britain to help China. Halifax could have added that the United States was also in a better position to fight Japan if the occasion arose.

China continued to plead for assistance from both countries, directing the strongest appeal to the United States. Chiang Kai-shek personally asked President Roosevelt on October 8 to make an effort to settle the Far Eastern conflict, suggesting an international conference. He followed this up with another message on October 15, this time specifically requesting aid. Chiang praised, in gilt-edged terms, the moral assistance which China had received from the United States. He said he knew that, "China at this trying hour has not been forsaken at least by the President of the United States." But China needed more than moral assistance, and Chiang was particularly interested in a loan, which he said would provide renewed vigor to

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32 Tgm., Halifax to Clark Kerr, October 17, 1938, Ibid., No. 158.
resist the enemy. 33

A request went to Great Britain almost simultaneously, but not by means of a personal appeal from Chiang. Furthermore, no specific suggestion, such as a loan, was made. The Chinese Ambassador in London, Quo Tai-chi, simply told Halifax that he hoped Great Britain would consider aiding China. If nothing else could be done, he hoped at least for something similar to the American "moral embargoes." 34 China as well as Great Britain depended upon the United States to take the lead. For the British, playing the waiting game was becoming the obvious policy to pursue.

However, the American State Department was still not prepared to commit itself to a policy of outright opposition to Japan or full aid to China. No effective way of so doing had been devised which could be considered safe. Furthermore, the state of American preparedness needed vast improvement. Realizing this, Roosevelt announced a three hundred million dollar increase in defense armaments. He stressed the fact that


34Tgm., Halifax to Clark Kerr, October 17, 1938, British Documents, VIII, No. 160.
hemispheric defense was his first consideration. But, it was a step down the path Roosevelt wanted the American people to follow. On October 14 he told a press conference that he had ordered an investigation of the nation's defense strength for a report to Congress on January 3, 1939.

Thus, in mid-October, as Japanese troops advanced rapidly into southern China, both the United States Department of State and the British Foreign Office found themselves groping for an effective, yet safe, Far Eastern policy. Neither wished to embark upon a firm, vigorous program of assistance to China without the full-fledged support of the other. Like Alphonse and Gaston, they hung back, each murmuring politely, "After you."

The Czechoslovakian crisis had brought home to the entire Western world the sobering fact that war in Europe was an all too real possibility. In East Asia, war was more than a potentiality, it was a reality. Both the United States and Great Britain knew involvement in a two-front war could be disastrous. But, as

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Japan grew bolder and gave less and less attention to diplomatic protests, it became clear that continued failure to take a firm stand would invite further encroachments. In addition, the danger of collapse by Chiang Kai-shek's forces was increasing, and defeat could mean losing an ally, as well as a highly important commercial loss. In the final analysis, American and British action would be based upon the time honored principle of placing national interests first.

Be that as it may, the Far Eastern policy of both countries in mid-October, 1938, was, in essence, that of watchful waiting. The United States had proclaimed its stand on October 6, and, with Great Britain, was awaiting Japan's next move.
CHAPTER III

JAPAN GROWS BOLDER

Japan's intensified drive into southern China bore fruit before the end of October, and the possibility of Chinese collapse could no longer be ignored. The two major objectives of the Japanese in South China were Canton and Hankow, which fell on October 21 and October 25, respectively.¹

At this point, Anglo-American policy-makers had yet to come to grips with the fact that the threat of Chinese defeat had been steadily increasing since the invasion at Bias Bay.² Both democracies now knew that Japan must be restrained in some way, but how to do it safely had not been decided. Furthermore, both the American State Department and the British Foreign Office

¹The Times (London), October 22, 1938, p. 12, and October 26, 1938, p. 14.
realized that joint or parallel action offered the best chance of success. But the former held to the view that the advantages of co-operation were not sufficient to justify altering American policy. Joseph C. Grew, for example, despite his friendship with Sir Robert Craigie, expressed doubt as to whether the United States and Great Britain could possibly follow an identical policy in the Far East. He pointed out, in a telegram to Cordell Hull on October 15, that the British were more interested in retaining their Far Eastern possessions, that their economic involvement was more extensive and vital, and that the Japanese were more concerned about British competition. Grew also felt that the Japanese were much friendlier toward the United States than toward Great Britain. For these reasons he opposed changing American policy simply to bring it into line with British thinking. The Chamberlain Government, realizing the futility of too much urging, decided to allow the United States to proceed at its own pace.


That pace was decidedly slow.

The Chinese, meanwhile, stepped their attempts to bring about American aid, while emphasizing what they considered to be similarity of British and American interests in the Far East. On October 16 Chinese Ambassador Hu Shih gave Stanley K. Hornbeck, State Department Adviser on Political Relations for Far Eastern Affairs, a message from Chiang Kai-shek. Chiang expressed the opinion that since the landing of Japanese forces in Kwangtung Province was a threat to Great Britain, and, indirectly, to all Anglo-Saxon powers, it was time for Anglo-American intervention in the Far East. The Chinese leader hoped the American Government would take the initiative in this action.5

Ironically, Chiang's message reached Hornbeck just three days before Roosevelt made his reply to Chiang's plea of October 8. In replying, Roosevelt assured Chiang of his continuing concern with the Far Eastern situation and his hope for a peaceful settlement. He made no definite commitments, however, saying only that if "an appropriate opportunity" arose, he would do what he could to help bring about a peaceful

settlement. Hornbeck informed Hu Shih of Roosevelt's position, and the latter recognized the fact that the President could make no commitments and admitted that mediation at this time might be detrimental to the Chinese. 7

Even while making direct appeals for aid, China remained alert to any opportunity to use one country's policy to prod the other into action. Quo Tai Chi, Chinese Ambassador in London, urged Great Britain to follow the American example of discouraging the sale of war materials to Japan. 8 In addition, the role of leadership which had been assigned to the United States since the Brussels Conference was emphasized constantly. Wang Chung-hui, Chinese Foreign Minister, told the American Ambassador in China, Nelson T. Johnson, that his government had been told that the French, British, and Russian governments were waiting for the United States to take the lead in assisting China. If aid could not be given, Wang Chung-hui suggested, the United States  

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6 Roosevelt to Chiang Kai-shek, October 19, 1938, Ibid., p. 325.
7 Memo. by Hornbeck, October 19, 1938, Ibid., pp. 325-26.
8 Memo. by Hull, October 20, 1938, Ibid., pp. 565-66, and Tgm., Halifax to Lindsay, October 19, 1938, British Documents, VIII, No. 165.
should take the lead in organizing a conference to end the dispute. Johnson told him that the subject of good offices had been considered, but the United States believed that the Japanese were not ready to listen to any proposals that would be acceptable to the Chinese. Since Japan was not likely to give up any conquered territory, her continued success lent increased validity to this conclusion.

The State Department was kept aware of the growing pressure on the United States not only by the Chinese, but by officials such as Secretary of the Treasury Morgenthau and columnists such as Nathaniel Peffer. Peffer voiced the opinion, in The New York Times, that the Japanese were taking advantage of "British defeatism" in the Far East following Munich. At the same time, he said, Japan was counting heavily on American isolationism to prevent united action. Aside from increased attention to national defense, however, those responsible for American Far Eastern policy continued to play for time.

The British, with more reason to delay action


than the United States, continued to keep alert for any means of easing tension. Lord Halifax, despite his basic sympathy for China, suggested to Craigie that it might be a good idea to keep alive the belief that Britain would be willing to lend money to Japan for rehabilitation of China after the war if the terms were right. Japan would have to understand, he said, that this would depend to a great extent on her activities in the meantime.\(^{11}\) Craigie, also, wavered between stern action against Japan and a conciliatory policy. He feared leaving Japan with a lasting grievance and favored a continuation of relations with both sides in such a manner that neither could claim British favoritism to the other after the war. Indeed, Craigie evidenced a willingness to put up with some temporary losses to British interests if this would help gain a favorable position afterward.\(^{12}\) Though British policy did not become more conciliatory, the views expressed by Halifax and Craigie indicated the realism which governed their decisions.

As the groping persisted in Washington and

\(^{11}\) Tgm., Halifax to Craigie, October 19, 1938, British Documents, VIII, No. 162.

\(^{12}\) Tgm., Craigie to Halifax, October 23, 1938, Ibid., No. 175.
London, Japanese troops continued to penetrate southern China, creating new problems regarding neutral rights. As so often before, American and British protests were largely ignored. One of the most serious incidents involving the new area of warfare occurred on October 24 when the British gunboat Sandpiper was bombed near Changsha. Although there were no casualties, there was considerable damage. The British protest noted, in particular, that the bombing was a direct violation of Japanese assurances following the Ladybird incident of December, 1937. Japan made a formal apology, but by this time few observers were misled into believing such incidents would cease.

The formality of protests continued, while hope of their having any effect decreased. Anxious lest they incur further loss of influence in China, both countries refused to comply with Japanese requests that ships of third powers be removed from the Hankow waterfront. It was made clear that the presence of American and British nationals in Hankow was considered justification for retaining the ships. That firmness was to be tempered

13 Tgm., Halifax to Craigie, October 31, 1938, Ibid., No. 187.

with caution, however, was indicated by the decision, in late October, not to make a statement regarding the integrity of the Chinese Customs. Japan had been rumoured to be contemplating a demand for an increase in Japanese personnel in the Customs. Craigie and Grew agreed that a statement from them might do more harm than good, or "be regarded as a sign of nervousness." No statement was made.

Similar caution was shown in the assessment of the appointment, on October 29, of Hachiro Arita to fill the vacant post of Japanese Foreign Minister. Western reaction to Arita, who had held the same position from April of 1936 until January, 1937, was largely pessimistic. The only optimistic note was sounded by The New York Times, which reported the appointment as an indication of Japanese intentions to start peace talks. The likelihood that peace talks would be on any but Japan's terms was quite remote.

Certainly, diplomats on the scene gave no indication of believing that Arita's appointment heralded

15 Tgm., Craigie to Halifax, October 27, 1938, British Documents, VIII, No. 181.

16 The New York Times, October 30, 1938, p. 27. The Times' Tokyo correspondent, on the other hand, noted that Arita was unlikely to be favorable to an "Anglo-Japanese rapprochement." October 29, 1938, p. 13.
any significant change in Japanese attitudes. Grew felt it was impossible to tell whether a change in policy could be expected. Furthermore, long experience had led him to expect no precise statement of Japanese policy or intentions. Arita knew, Grew said, that Japan could not turn back. Therefore, he would continue to demand recognition of a new situation in the Far East. Regarding Arita personally, Grew assumed his assignment to the post of Foreign Minister meant that his views on foreign policy accorded with that of the members of the "China Organ," the five ministers responsible for China policy. The Ambassador in Japan summed up his appraisal with the words:

Mr. Arita is a thoroughly honest person and will not compromise with his convictions; but one is never quite certain whether the convictions which he holds today will last the morrow. 17

Sir Robert Craigie agreed that China policy would continue to be determined by the "China Organ." The British Ambassador, who had had considerable respect for General Ugaki, did not consider Arita as "forceful a personality as Ugaki." Thus, he felt that even though Arita was probably rather favorably inclined toward Britain personally, there was little likelihood that

this would be reflected in official policy.\textsuperscript{18} The guarded evaluations of Arita's appointment by Grew and Craigie spoke eloquently of the decreasing rapport between Japan and the western democracies.

As October gave way to November, both American and British officials continued to view with alarm the general trend of events in Japan. Joseph C. Grew felt that there was going on in Japan what, for want of a better word, could be called "national mobilization." Foreseeing "a retention and strengthening of the Emperor cult," he stated: "What is evolving is totalitarianism, if one insists on using that term, but it will be totalitarianism \textit{sui generis}."\textsuperscript{19} A further indication of Japan's singlemindedness occurred during a meeting between Eugene H. Dooman, Counselor of the Embassy in Tokyo and Mr. Yoshizawa, Director of the American Bureau of the Japanese Foreign Office. Dooman told Yoshizawa that Japan had come to "a fork in the road," and would have either to recognize American and British rights in China or retreat to its former position of seclusion from other nations. Yoshizawa agreed but reiterated

\textsuperscript{18}Tgm., Craigie to Halifax, November 3, 1938, British Documents, VIII, No. 200.

\textsuperscript{19}Grew to Hull, November 1, 1938, Foreign Relations, 1938, IV, 607-09.
Japan's demand for recognition of a new situation in the Far East.\textsuperscript{20}

The increasing difficulty of dealing with Japan brought a new problem for the British Government as November arrived. November 1 was the date set for the opening of a new session of Parliament and the Foreign Office knew questions regarding the Chinese situation were certain to be asked. Craigie reminded Japanese Vice-Foreign Minister Renzo Sawada of this and asked that something concrete be done to carry out Japanese assurances.\textsuperscript{21} However, when Parliament met, Under-Secretary of State for Foreign Affairs Richard A. Butler could tell Commons only that the situation was being watched and that efforts were being made to protect British interests and keep the Open Door open.\textsuperscript{22}

The British Foreign Office, as well as the American State Department, was approaching a full realization that Japan was becoming irrevocably militaristic and determined to assert her will in China. Sir Robert

\textsuperscript{20}Grew to Hull, November 1, 1938, \textit{Ibid.}, III, 355-56.

\textsuperscript{21}Craigie to Sawada, October 31, 1938, \textit{British Documents}, VIII, No. 188.

\textsuperscript{22}Great Britain, 5 Parliamentary Debates (Commons), CCCXL (1937-38), 33.
Craigie reported to his superior that as a result of a discussion by the British Military Attaché with members of the Japanese General Staff, he was not at all optimistic about improvements in Anglo-Japanese relations. The principle result of the conference, he said, was a realization of the difference in mentality and attitude of the Japanese troops in China from that found in Tokyo headquarters. As a result, attention was being focused primarily on winning the war, with a consequent lack of concern for answering British demands.²³

Thus, it was only half-heartedly that Craigie broached the subject of peace terms to Prince Konoye in an interview on November 1. Acting on the advice of Halifax, Craigie renewed the British tender of good offices, though neither had any substantial hope of success. However, a Viscount Kano, of the London branch of the Yokohama Specie Bank, had told Sir J. Wardlaw-Milne, a member of Parliament, that now was the time to mediate, because Japan would accept favorable terms. Though it was felt that Kano was out of touch with matters in Japan, it was considered worthwhile to mention the subject without bringing Kano's suggestion into the

²³Tgm., Craigie to Halifax, November 1, 1938, British Documents, VIII, No. 189.
conversation.\textsuperscript{24} In addition to British good offices, Craigie's offer suggested Japanese withdrawal from China and equality of opportunity there. Konoye made no direct comment and Craigie considered the suggestion unsuccessful, as had been anticipated.\textsuperscript{25} Later, when rumors of the interview appeared in the press, Craigie consulted with Foreign Minister Arita, who agreed that it would be wise to admit that the interview occurred but to refuse to say whether mediation was discussed.\textsuperscript{26}

By the time the press leak occurred, Western hopes for an improvement in the situation had suffered another serious blow. A Japanese statement on November 3 proclaimed to the world Japan's desires in China. These desires included political, economic, and cultural co-operation by China and Manchukuo with Japan. Furthermore, Japan announced, other powers would be expected to adjust their policy to the new situation in East Asia.\textsuperscript{27}

\textsuperscript{24}Tgm., Halifax to Craigie, October 26, 1938, \textit{Ibid.}, No. 178.

\textsuperscript{25}Tgm., Craigie to Halifax, November 2, 1938, \textit{Ibid.}, No. 193.


\textsuperscript{27}\textit{Ibid.}, November 3, 1938, p. 1.
The Japanese completely ignored the fact that the American note of October 6, dealing with the same topics, had not yet been answered.

The American State Department issued a press release the following day which emphasized the fact that the American position on the Far Eastern situation had been stated repeatedly and remained unchanged. The position of the United States, the Department said, was based on principles of international law, treaty provisions, and ideals of fair play. Still in the process of re-evaluating its Far Eastern policy, the State Department relied on the moral rightness of its position to counteract the boldness of the Japanese statement.

Even as moralism and legalism reigned supreme, however, realization was growing that the American position was as a straw in the wind before the determined militarism of Japan. After November 3 there was little doubt in official minds that Japan meant to achieve its goal in the Far East. The Japanese press, never far wrong in its appraisal of official policy, increased its

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demands for recognition of the new situation in East Asia, and Joseph C. Grew took note of the coincidence of these demands with the Japanese Government's new boldness. In similar fashion, the Japanese papers forecast that the reply to the United States note of October 6 would reject the American demands. It was becoming increasingly difficult for a policy of no action to be justified.

Lack of action on the part of the United States practically dictated a similar policy on the part of Great Britain. Increased Japanese intransigence only heightened Foreign Office determination to take no step out of harmony with American policy. The British position in the Far East was only as strong as the extent to which it could depend on American support. In fact, Sir Robert Craigie suggested waiting for United States action before making a statement upholding equality of opportunity. He expressed his belief that the United States might propose parallel action if left to itself.

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30 Tgm., Grew to Hull, November 9, 1938, Ibid., IV, 84.

Lacking a concrete basis for such a belief, Craigie was more likely expressing a hope than a firm conviction. Furthermore, the United States had already declared itself on this point on October 6.

Lord Halifax not only approved Craigie's proposal that British action be delayed, but also advocated waiting until Japan had explained her position further and replied to the American note of October 6. After the United States had, in turn, reacted to the Japanese answer, proper British action could be determined, Halifax believed.32

The Japanese reply did not come until November 18, but the statement of November 3, coupled with events in the weeks following, gave ample indication of what could be expected. Foreign Minister Arita informed Grew of certain specific demands regarding third party interests in China on November 7. Japan wanted planes manufactured outside of China to be kept out of areas of conflict, and demanded withdrawal of American nationals. Furthermore, Arita stated, Americans staying in China could travel only at their own risk. American property was to be clearly marked, but it was to be understood

32 Tgm., Halifax to Craigie, November 15, 1938, Ibid., No. 242.
that Japan would accept no responsibility for property which the Chinese transferred to the names of third country nationals. Arita ignored the fact that Japan's demands consisted, for the most part, of matters usually recognized only in cases where war had been declared. On the other hand, by this time neither Grew nor anyone else really expected Japan to respect international law.

Further evidence of Japan's determination to plunge ahead with her plan of domination of the Far East was revealed in an informal talk between Arita and Sir Robert Craigie several days later. Arita stated that because of the changed situation in China assurances given earlier might not apply completely. Craigie reminded him, perfunctorily, that there had been no reservations or time limits on the assurances that British rights would be respected. Sir Robert added a warning that Japan might suffer in other parts of the world if a bloc were formed in the Far East. However, since Japan had been claiming to be the victim of trade discrimination from the British Empire for some time, his warning carried little weight with Arita. Yet the

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33 Arita to Grew, November 7, 1938, Foreign Relations, Japan, I, 628-29.
34 Tgm., Craigie to Halifax, November 17, 1938, British Documents, VIII, No. 249.
British Ambassador clung to the belief that the best hope for changing Japan's mind lay in trying to convince Arita of the fallacy of his economic arguments.\(^{35}\) Craigie was fully aware of the hopelessness of getting this argument across to the militarists in Japan, but he was also fully aware that Great Britain could not afford to let straws float by without grasping at them.

Having already made her desires well known, Japan condescended, on November 18, to answer the American note of October 6. Arita's note to Grew was equivocal in nature. His denial of discrimination against American citizens or their interests surprised no one. Arita's other points of emphasis were also monotonously familiar. Japan, he said, welcomed participation of third powers in the establishment of a "new order," and was trying to respect their rights and interests. However, the United States was expected to realize the difficulties involved and to recognize the "new situation" in China.\(^{36}\)

The exchange of notes left the Western powers in nearly the same position as previously, with one

\(^{35}\) Tgm., Craigie to Halifax, November 17, 1938, \textit{Ibid.}, No. 250.

\(^{36}\) Arita to Grew, November 18, 1938, \textit{Foreign Relations, Japan}, I, 797-800.
notable exception. The United States had demanded that Japan respect American interests in China and Japan had failed to meet those demands. Since the State Department had relied on moral suasion as the principal means of giving weight to its position and had made no plans for action in the event of Japanese rejection, the situation now became a diplomatic stalemate. Japan had made her intentions in China crystal clear, and, considering her military successes in late October and early November, was in an excellent position to carry out those intentions. Thus, the United States had been maneuvered, partly through circumstances and partly through its own actions, into the position of principal spokesman for the western powers. It was the American State Department which had publicly called upon Japan to make good its assurances, and had been rebuffed. The United States knew it could depend on British backing in its next move; at the same time, it had become obvious that the next move was up to the United States. The British now had undeniable justification for waiting for the American decision.

However, American policy was undergoing review and analysis, and the State Department saw no reason to be stampeded into an immediate decision on the best way to meet the situation. Secretary of State Hull told
a press conference on November 22 that the Japanese reply was entirely unsatisfactory. Since no official reaction had been formulated, Hull was unable to give an indication of the United States' next step. The only action taken through diplomatic channels was that of informing Japan of facts which she already knew. To this end, Eugene H. Dooman, Embassy Counselor in Tokyo, told Arita in an informal talk that the Japanese note was not "responsive to the desires of the American Government." Dooman's declaration that the United States had exercised "extraordinary restraint" in regard to violation of its rights in China was in no way surprising to Arita. Indeed, by this time, Japan had come to count on "extraordinary restraint" on the part of the United States.

Great Britain, meanwhile, continued to play the waiting game to the hilt. Sir Robert Craigie sent a summary of the Japanese note of November 18 to the Foreign Office, but included no suggestions on possible British action. Moreover, the Foreign Office remained

38Memo. by Dooman, November 19, 1938, Foreign Relations, Japan, I, 801-06.
39Tgm., Craigie to Halifax, November 19, 1938, British Documents, VIII, No. 256.
silent, waiting to see what, if any, action the United States would take.

Though no outward signs were evident at this point, the continuing reappraisal of the American position foreshadowed a gradual stiffening of attitude. Failure of the Japanese to give cognizance to American rights in China caused increasing consternation in official circles, and the first hints of a possible change in temper became apparent early in November. This change, though imperceptible at first, even to close observers, marked the beginning of a trend which resulted in the first limited aid to China. The fact that Japanese interference with American commercial activity was a matter of concern to both government officials and businessmen contributed to this shift. One of the major topics discussed at the National Foreign Trade Convention in New York City on October 31 was the need of finding some way to cope with the trade policies of totalitarian governments. It was noted that Japan had almost terminated American trade with China.40

On the other hand, at this time, as during the entire pre-World War II period, loss of trade with China played a secondary role in the growth of anti-Japanese

feeling. The rankling effect of being required to submit to the restrictions of another power was a considerable blow to American pride. However, on a strictly defined basis of commercial profits, the United States had more to lose by helping the Chinese, since trade with Japan was greater in volume. Nevertheless, the arrogance of the Japanese, coupled with the prevailing attitudes in the United States, served to inspire American sympathy for China.

Of major importance in shaping the American viewpoint was the influence of missionaries in China and the influence of their supporters back home. American missionaries had long been active in China; furthermore, one of the principal targets of Japanese atrocities in China was church property, and the missionaries often were treated no better than the property. Thus, missionary influence, along with commercial interests, played an important role in shaping American public opinion and foreign policy. It was, after all,

American money and moral support that kept the mission-
aries in China.

In early November of 1938, however, sympathy for the Chinese cause had not yet been translated into ac-
tion. But, as Japanese intentions became more clear, and, as her drive into China continued unabated, the American State Department began to come nearer to facing the unpleasant fact that, without aid, China was in serious danger of falling to Japan.

Consideration of financial aid to China had con-
tinued through October and into November as Japanese activities increasingly taxed American and British pa-
tience. High on the list of irritants was the refusal to allow free navigation of the Yangtze River. On No-
ember 2, Secretary of State Hull informed Grew that the State Department had decided that the time had come to take up this matter with the Japanese. Hull instructed Grew to find out first whether the British and French Ambassadors were taking similar action, then try to obtain from Arita a date after which Japan would not interfere with free navigation of the river from Hankow to its mouth. He said the United States would not ac-
cept an indefinite reply, since hostilities no longer existed in the area concerned, and Japan was using the
river for commercial purposes. At the same time, Joseph P. Kennedy, American Ambassador in the United Kingdom, received instructions to inform the British Foreign Office of Grew's planned action. This was done to give the British an opportunity to take similar action if they wished. The British, eagerly awaiting an opportunity to act in concert with the United States, did, indeed, wish to take similar action. Lord Halifax immediately instructed Craigie to approach the Japanese Government with a statement paralleling the American note. Craigie's note, on November 7, was similar, but not identical, to Grew's protest. The latter asked for a prompt end to Japanese restrictions on navigation below Hankow, pointing out the fact that when hostilities had existed in the area, the United States had not exercised its right of navigation. Now that the Japanese forces had moved up the river, justification for restrictions no longer existed.

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43 Tgm., Hull to Kennedy, November 2, 1938, Foreign Relations, 1938, IV, 194.


45 Grew to Arita, November 7, 1938, Foreign Relations, Japan, I, 794-95.
The Japanese reply to both protests was essentially the same. In refusing to agree to unrestricted navigation, Arita claimed that Japanese vessels on the Yangtze River were not merchant, but military, ships, and only carried non-military cargo if extra space was available. He rejected the view that hostilities no longer existed in the area, referring to Chinese guerrilla activity, and the presence of floating mines. Japan was attempting, Arita said, to bring about a return to normal conditions as soon as possible.  

Both the United States and Great Britain refused to drop the matter, both being convinced that the reasons given by the Japanese did not justify the restrictions. Consequently, Craigie and Grew again made similar but separate statements, this time oral, to Arita, rejecting the Japanese reasons and repeating the demand for free navigation.

Japan continued to prevent free use of the Yangtze, thus making this issue another example of her contempt for Western rights. Therefore, the significance of this

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46 Arita to Grew, November 14, 1938, Ibid., pp. 795-96, and Tgm., Craigie to Halifax, November 15, 1938, British Documents, VIII, No. 239.

47 Craigie to Halifax, November 25, 1938, Ibid., No. 287.
exchange came not in its results, but in its hint of nearly exhausted patience in Washington and London. Incidents such as those involving the Panay, the Ladybird, and the Sandpiper had, after diplomatic exchanges, been considered closed. In this case, Japanese replies were unsatisfactory, and the two democracies registered what was, in effect, a continuing protest. The change was slight, but in light of later events, this incident was indicative of the changing attitude which would lead to the first aid to China. In addition, this marked the first time anything approaching parallel action had been taken by the United States and Great Britain.

On the other hand, the United States was by no means ready to undertake a program of united action. On other matters, such as the question of Japanese interference with Chinese Customs, the State Department was unwilling to go even as far as in the Yangtze navigation protests. The Chinese asked both countries for assistance in this regard and the British suggested parallel representations, insisting on cessation of hostilities before consideration of increased Japanese personnel in the customs. The United States, however, preferred to await further Japanese action. Hull believed that parallel action might be advisable only if the Japanese
took "steps in derogation of the integrity of the Chinese Maritime Customs."48

British attempts to bring about joint action were dictated by the realization that, in a crisis, the possibility of a two-front war could not be risked. Failure to obtain the desired unity caused the British to adhere to their policy of keeping diplomatic channels open with both belligerents. Ever cognizant of the exigencies of keeping commercial trade routes open, His Majesty's Government hoped to continue trading operations even in the event of Japanese victory in China. Chamberlain and Halifax believed that China could not be reconstructed without British aid regardless of who won, and, therefore, it would be unlikely that British interests would be shut out.49

In spite of this "realistic" attitude on the part of the British, Japan continued to regard her as the principal ally of the Chinese. The Japanese press, in particular, was much more critical of Great Britain than of the United States or France.50


49 Tgm., Halifax to Craigie, November 3, 1938, British Documents, VIII, No. 196.

concern arose over reports that the Anti-Comintern Pact of 1936 might be strengthened. Sir Robert Craigie reminded Prince Konoye that this proposal was widely considered, in Japan, to be directed more against Great Britain than against Communism. Craigie's concern was grave enough to provoke a query regarding the possibility of an extension of the Munich Agreement to Far Eastern questions. Though he did not elaborate on this proposal, Craigie made clear his belief that if such an opportunity arose, it should be utilized. Although nothing ever came of it, this proposal was in line with general British policy. If reprisals could not be made (and without American co-operation they were considered unfeasible), then all possible measures had to be taken to avoid conflict.

However, the subject of joint reprisals was regarded as a somewhat more delicate matter than joint protests or representations. Craigie warned against making proposals along this line directly to the United States Government. He preferred doing it indirectly through Grew. This, he said, would avoid the charge

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51 Tgm., Craigie to Halifax, November 2, 1938, British Documents, VIII, No. 194.

52 Tgm., Craigie to Halifax, November 3, 1938, Ibid., No. 197.
that "Britain is inviting the United States to 'pull the chestnuts out of the fire.'"53

At the same time, Sir Archibald Clark Kerr, always outspoken in his advocacy of aid to China, did not agree with a policy of extreme caution. He informed Halifax that he agreed with Chiang Kai-shek, who felt that British prestige in the Far East had fallen a great deal. Furthermore, Clark Kerr and Chiang believed that the time had come when Great Britain would have to decide whether to help China or retreat and accept Japanese assurances. Specifically, the Ambassador suggested reconsideration of a loan to China and denunciation of the Anglo-Japanese commercial treaty.54 But those responsible for shaping British policy did not agree with these proposals, having, of necessity, to take a broader view of the problem than the Chinese scene alone.

Thus, British Far Eastern policy as of November 8, 1938, was summarized by His Majesty King George VI when he spoke to both Houses of Parliament and stated:

My Government will be ready at any time, if desired by the parties to the dispute in the Far East, to aid in reaching a settlement which will

53Craigie to Halifax, November 4, 1938, Ibid., No. 208.
54Tgm., Clark Kerr to Halifax, November 7, 1938, Ibid., No. 211.
ensure lasting peace in that region. Meanwhile, My Ministers will do all in their power to safeguard British interests in the areas affected.55

As the British played for time, the American State Department continued to review and analyze its Far Eastern policy. The Roosevelt Administration, aware of the dangerous situations in both Europe and Asia and of the low level of preparedness of the United States, gave increased attention to matters of defense. On November 4 the President announced a survey of all facilities owned by the Federal Government which could be used in the defense effort. One of the purposes was to help speed the naval and military program which was planned for 1939.56 An important factor in the increased attention to foreign affairs in general, and the Far Eastern problem in particular, was heightened concern over the ability of China to continue effective resistance. Reports from that country placed a definite limit on the amount of time for which China was expected to be able to hold out. Colonel Joseph W. Stilwell, United States Military Attaché at Changsha, advised Ambassador Nelson T. Johnson that he believed the Chinese were

55Great Britain, 5 Parliamentary Debates (Lords), CXI (1938-39), 2.
capable of withstanding the attack for approximately six months more. Such reports, combined with continued pressure from such Cabinet members as Secretary of the Treasury Henry Morgenthau and Secretary of the Interior Harold Ickes, combined to focus attention on the American commitment in the Far East. Morgenthau was an outspoken advocate of aid to China. Ickes, on the other hand, while not as vocal as his counterpart in the Treasury Department, agreed that aid was desirable. Heightened concern over the fate of China, combined with full realization of Japan's undeniable intentions in the month of November, revealed that any American action would be along the lines of helping China.

But aid, even limited aid, was slow in coming, despite rising apprehension over Japanese actions. The New York Times, on November 10, expressed the editorial viewpoint that the Far Eastern situation was not encouraging. The writer also raised the question of whether Japan had high enough regard for American good will to

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respect the Open Door. In reality, however, Japan had long since ceased to show even token concern for that doctrine. This was fully realized by those responsible for shaping American policy. Yet the watchward of American policy at this time was caution, engendered both by the fear of international danger and by the lack of popular support for any other policy. These concerns formed the basis of President Roosevelt's message to Chiang Kai-shek on November 10. Roosevelt expressed his sympathy and that of the American people for the Chinese, adding his hope for an early and just settlement of the conflict. Nonetheless, Chiang was informed, American action had to be guided by the country's laws, public opinion, and by what appeared to be practicable.

The increased anxiety over the Far Eastern situation was evident in Great Britain as well as in the United States, as November brought heightened pressure on the Chamberlain Government to take a clear stand. Among those applying pressure were owners of property in East Asia. One of these, through a letter to the editor of The Times, wondered if the British had lost their nerve,

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and asked how much longer Japanese encroachments would be tolerated.61 This attitude was bolstered by a letter sent by J. W. Nicolson, Chairman of the China Section of the London Chamber of Commerce, who said he hoped the Government would adopt a firm policy toward Japanese interference.62 The Opposition Party in Parliament provided another source of pressure, charging that the Chamberlain Government had no definite policy toward the Far East.63 In answer to this, Under-Secretary of State for Foreign Affairs Richard A. Butler could only say that formal protests had been made to the Japanese in an attempt to make the British position clear. Butler emphasized that British action had been in harmony with American policy in this regard, implying that a charge that Great Britain was failing to do as much as the United States would be unjustified.64

By mid-November, therefore, signs were appearing to indicate that the British, too, were beginning to

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61 The Times (London), November 8, 1938, p. 10. The writer was identified only as an owner of property in Shanghai and Hong Kong. No name was given.

62 Ibid., November 11, 1938, p. 10.

63 Great Britain, 5 Parliamentary Debates (Commons), CCCXLI (1938-39), 135.

64 Ibid., cols. 164-66.
lean, though slightly, toward the possibility of helping the embattled Chinese. On the tenth of the month, Air Secretary Sir Kingsley Wood announced that the Air Estimates for the next year would be £200,000,000, compared with £120,000,000 for the current year. This was to include a thirty per cent increase in "first line" strength. While the more immediate threat from the continent was the major reason for this increase, the uncertain conditions on the opposite side of the globe added emphasis to the need.

Diplomatic channels, also, evinced the fact that British patience was wearing thin. On November 8 Sir Robert Craigie reminded Japan's Vice-Foreign Minister, Renzo Sawada, of the many unanswered British protests. Craigie pointed out that Great Britain had exercised great restraint, and said that it was becoming difficult for many to accept the sincerity of Japan's intentions.

A further indication of apprehension came when Hore-Belisha, Secretary of State for War, announced, on November 15, that the Second Battalion, The East Surrey Regiment, was being sent to reinforce the British Garrison.

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66 Craigie to Sawada, November 8, 1938, British Documents, VIII, No. 235.
This incident, though minor, was significant in that it was a de facto recognition that force might be necessary to protect British interests, and that Japanese assurances were unreliable. In short, it had become clear by this time that the methods used thus far were insufficient to bring about any change in Japanese conduct or attitude. New approaches would have to be found, for neither Great Britain nor the United States was prepared to embark on a bold program of anti-Japanese measures.

On the other hand, something had to be done to prevent the sudden collapse of China. Chiang Kai-shek's repeated requests for aid from both countries had been successful in neither. Moreover, evidence was accumulating that Chiang was getting dangerously near the end of his rope. While this evidence came from various sources, the one who sounded the alarm most vigorously was Sir Archibald Clark Kerr, the British Ambassador in China. A constant advocate of aid to China, Clark Kerr feared a drastic change in Chiang's policy, possibly even capitulation. Clark Kerr's opinions were not shared by his superiors in the British Foreign Office, nor did any

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67 Great Britain, 5 Parliamentary Debates (Commons), CCCXLI (1938-39), 670.
American officials feel that the Chinese leader was about to give up the fight. United States Marine Corps Captain James M. McHugh, Assistant Naval Attaché in China, had talked with Chiang on November 8. Captain McHugh told Nelson T. Johnson that Chiang had indicated that he could not continue without aid indefinitely, but no mention of a "threat" to give up the struggle was made. Nevertheless, the possibility of complete Japanese victory could not be denied, and this unpleasant fact helped to nudge the British Foreign Office and the American State Department closer to consideration of aid to China.

By the time Japan finally replied to the American note of October 6 (on November 18), additional circumstances had developed to intensify concern over the outcome of the Far Eastern imbroglio. The Japanese took over the Chinese Maritime Customs at Canton on November 8, and, despite American and British protests, continued to hold them. More portentous was the report that the Anti-Comintern powers were considering a mutual support agreement. Lord Halifax informed Sir Robert Craigie that the rumoured "consultative defensive alliance" did

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not pertain to the Union of Soviet Socialist Republics alone, but to any third power. Though unconfirmed at this point, the report was alarming to the British and helped to increase anxiety in the United States.

While officials on both sides of the Atlantic searched for safe and effective ways to counteract Japan's growing bellicosity, negotiations were being carried on to strengthen the commercial ties between the two allied democracies. These negotiations were successfully concluded on November 17, when a reciprocal trade agreement was signed in Washington. The agreement was well-received in both Great Britain and the United States, and The New York Times heralded it as the outstanding diplomatic achievement of the Roosevelt Administration. Though not directly related to the Far Eastern situation, the agreement bound more closely the fates of the two countries in a period of crisis.

Thus, the latter part of October and the first half of November, 1938, witnessed the democratic world

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69 Tgm., Halifax to Craigie, November 18, 1938, British Documents, VIII, No. 254.


in general, and the United States and Great Britain in particular, arriving at the full realization of Japan's intentions in East Asia. Attempts to deal with the situation through normal diplomatic methods had been unsuccessful. By mid-November, China had been brought almost to her knees, and American and British officials were forced to consider the possibility that something more than sympathy might be necessary if China were not to be lost to Japanese militarism.
Realization of Japan's unalterable intentions brought no easy solution to the nagging question of how to cope with them. Indeed, if anything, the problem was becoming more stubborn as the possibility of a settlement satisfactory to both China and Japan dwindled. By late November of 1938, Great Britain and the United States were confronted with the disconcerting possibility of a Japanese Empire increased many fold by the addition of China. Thus, the question which could no longer be avoided was how China could be saved from being engulfed by the tidal wave of Japanese expansionism. Furthermore, this act of salvation had to be performed without undue risk to the rescuers. Caution, carried almost to the point of inertia, continued to be the watchword of British and American Far Eastern policy as a feasible means of aiding China was sought.

The fact remained, however, that diplomats stationed in the Far East were becoming more and more concerned about the uncertainty of China's position.
As usual, the voice of greatest concern belonged to Sir Archibald Clark Kerr, who pointed out the growing tendency in China to believe that the United States was more willing to help than formerly, while Great Britain was becoming less so. His interpretation was that the American note of October 6 apparently had made a strong impression in China. Clark Kerr reminded the Chinese that the British had made much the same demands of Japan; albeit they had not put them into a single, all-inclusive note. This did little to allay Chinese mistrust of the intentions of the United Kingdom.\(^1\) Even as he made attempts to defend Britain's position in China, however, Clark Kerr maintained his position that the time had come to extend aid to China. In addition, he hoped for a continuation of the trend toward parallel action begun in the Yangtze River controversy. He desired "a common declaration of policy in the Far East" by the United States, Great Britain, and France.\(^2\) But, at this juncture, there was little likelihood that such a declaration


\(^2\) Tgm., Clark Kerr to Halifax, November 22, 1938, Ibid., No. 266.
would occur. The spirit of co-operation, which was such an important part of the reciprocal trade negotiations, did not extend to matters involving treatment of belligerent nations.

Sir Archibald often stood alone in his opinions on British Far Eastern policy, but in this case others shared his conclusion that Great Britain's position in China was regarded with disfavor by the Chinese. His American counterpart, Nelson T. Johnson, informed his superiors in the State Department that American policy was more highly regarded by the press in Chungking than that of Great Britain. Furthermore, according to the Chinese newspapers, the precarious Chinese position had come about at least partly as a result of Britain's failure to take a firm stand in the Far East. Johnson also talked with Dr. C. T. Wang, Chinese Minister for Foreign Affairs, and learned that China felt that the point had been reached when she had to have a definite answer from Britain regarding assistance and fulfillment of her obligations under the Nine Power Treaty and the League of Nations. At the same time, Dr. Wang expressed

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no disappointment with American policy. Rather, he stated that the Chinese Government could not understand why Britain had made no declaration similar to that made by the United States on October 6, thereby confirming Clark Kerr's contention that the American note had made a strong impression in China. Dr. Wang concluded by informing Johnson that China did not believe Britain had given the United States sufficient backing in its "advanced position" in Far Eastern policy. Implicit in the Foreign Minister's kind words was the suggestion that the United States should continue to "advance" its policy to a point where substantial assistance was being given.

While the United States was being cajoled into maintaining its stiffened attitude toward Japan, Great Britain was in the unhappy position of receiving castigation from both sides. Even as China voiced its disappointment with British policy, some Japanese regarded Great Britain as a major factor in continued Chinese resistance. Colonel Nishi, Head of the American Section of the Japanese General Staff, was representative of this group. He told Harry I. T. Creswell, American

\[ ^4 \text{Tgm., Johnson to Hull, November 20, 1938, } \text{Ibid.}, \text{ pp. 389-92} \]
Military Attaché in Tokyo, that Japan hoped the United States would not, "be dragged into an adoption of the British attitude." Once again, the fact was impressed upon the United States Department of State that American policy was being closely watched, not only by the British Foreign Office, but by both belligerents as well.

Both British and American officials were pessimistic regarding the ability of China to continue the war without aid. However, while the United States wrestled with the problem of how to aid China without unduly provoking Japan, the problem with which the British were faced was that of being prepared to support whatever action was taken by the United States. Sir Robert Craigie cautioned, from Tokyo, against doing anything out of line with American policy "at a moment when American attitude towards Japan appears to be hardening, and extremist element here is in the ascendant."

That extremism now held full sway in Japan had become disconcertingly apparent. The extension of hostilities into southern China and the statements issued by Japan on November 3 and November 18 left no room for

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5 Memo. by Creswell, November 22, 1938, Ibid., pp. 392-94.

6 Tgm., Craigie to Halifax, November 21, 1938, British Documents, VIII, No. 262.
conclusions to the contrary. Doggedly, the American State Department continued to use regular diplomatic channels in trying to bring about respect for American rights. Ambassador Joseph C. Grew, in conversation with Japanese Foreign Minister Arita, reiterated the well-worn American contention that every country should adhere to the principle of equality of opportunity. He went on to say that he was more concerned about Japanese-American relations than he had been for some time. Trade restrictions, severe limitations on navigation of the Yangtze River, and bombing of American property continued to be primary reasons for his concern. Referring to the latter, Grew said the claim "that these outrages are accidental is obviously untenable." Although not an official reply to the Japanese note of November 18, Grew's statements expressed the basic American viewpoint on Japan's actions. From the standpoint of conventional diplomacy, there was little else to do until a decision was reached on aid to China.

Meanwhile, by the end of November it was clear

that a decision would have to be reached soon. Joseph C. Grew, in his diary entry for the 30th of the month, noted a significant change in the diplomatic scene:

"In September the emphasis was all on the European crisis. Now, so far as we are concerned, it has shifted back to Japan, . . ."\(^8\)

While the United States turned its attention to the Far East, the main focus of the British Foreign Office, perforce, remained on the European scene. But, the Far Eastern situation was watched constantly, as Great Britain waited for an opportunity to aid China safely, or to join the United States in parallel action. In fact, the Foreign Office informed Sir Robert Craigie on November 23 that consideration was being given to introducing legislation guaranteeing a two and one-half million pound contribution to the Chinese currency stabilization fund by the Hong Kong and Shanghai Bank.\(^9\)

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\(^9\)Tgm., Foreign Office to Craigie, November 23, 1938, *British Documents*, VIII, No. 274. Lord Halifax accompanied Prime Minister Chamberlain to Paris for Anglo-French talks from November 23 to November 25. The editors give no identification other than "Foreign Office" on the despatches of this period.
Craigie was quick to voice his opinion that this might have a favorable effect, both in China and Japan. It would aid China, he felt, while in regard to Japan, conditions were so much worse that moving from words to action might have a good effect. Although he cautioned against Great Britain doing anything alone to risk war, he said he was "confident that undue complications can be avoided."[10] Despite his expressed confidence, Craigie's fears of the dangers of unilateral action were soon strengthened by his American colleague. Joseph C. Grew told him that he did not favor a joint loan for the Chinese currency because of the chance of war. For Craigie, this confirmed the view that action by Great Britain alone would be perilous.[11] Caution and hesitancy notwithstanding, the basic question now centered on the form and substance of aid to China, rather than whether aid should be considered at all.

The door was left open for negotiation with Japan; yet realities dictated that new approaches be considered. Furthermore, the Foreign Office was determined that, even if negotiations could be arranged, no


deal would be made that would be injurious to Chinese or third party interests.

Thus, the month of November closed with realization, both in London and Washington, that Japan did not intend to be deterred from its goal of supremacy in the Far East. But, it was also clear that China was just as determined to continue resistance, particularly if aid were received.

Though Ambassadors Craigie and Grew differed in their views on the advisability of a joint loan to China, they did agree that if any assistance was to be given, it would have to be done soon in order to be effective. This was only one of several points upon which the two diplomats were in basic agreement. They further agreed that Japanese policies detrimental to foreign interests in China would most likely continue, that Japan was moving more and more toward authoritarian government of a military fashion, that the anti-Comintern feeling was intensifying; and that there was little hope that the drain on Japan's economic resources would bring about a change in her policies.

Footnotes:

12 Tgm., Foreign Office to Craigie, November 24, 1938, Ibid., No. 279.

On the other hand, Grew disagreed not only with the suggestion of a joint currency loan, but also with Craige's proposal that they recommend to their Governments that the respective commercial treaties with Japan be denounced. Grew feared that such action would simply cause Japan to intensify violations of the rights of the Western powers. The American Ambassador reiterated his country's contention that since there were differences in the Far Eastern interests of the two countries, any action taken should consist of separate, not joint, measures. Thus, the United States continued to "shy away" from any semblance of parallelism. The risks involved in aid to China were great enough, State Department officials believed, without complicating the situation further by becoming entangled with Great Britain.

The American determination to avoid parallel action continued to be displayed by the coolness with which any British suggestions of possible joint measures were greeted. Both countries were giving serious consideration to more positive endeavors on behalf of China by early December, but United States officials favored only similar and independent moves. Identical, coadunate action was firmly opposed.

14Ibid.
Consequently, when the first British overtures regarding parallel action in support of the Chinese currency were made in early December, there was little likelihood of a favorable reaction from Washington. Nevertheless, the State Department was sounded out on the matter. Sir Alexander M. G. Cadogan, British Permanent Under Secretary of State for Foreign Affairs, informed Ambassador Joseph P. Kennedy that the British Cabinet was considering a loan in support of the Chinese currency. However, while China wanted at least three million pounds, and preferably five or ten million, the British did not intend to go over three million, if they acted at all. Cadogan inquired as to American reaction to this proposal, and said that if the United States were considering parallel action, the British decision would be affected. The United States was, by this time, seriously pondering comparable measures, but the aversion to joint policies remained.

In the meantime, American reaction was not the only consideration affecting the British decision. The effect in Japan had to be born in mind as well. Sir Robert Craigie, in response to a Foreign Office inquiry,

expressed the opinion that a very strong reaction could be expected. In fact, he doubted whether the Japanese could guarantee the safety of the British Embassy. On the other hand, he believed that if an advance explanation were given, stating that the loan was for the good of all interested in China, including Japan, a violent reaction would be forestalled. As a further mollification of Japan, he urged that direct reference to aiding the Government of Chiang Kai-shek be avoided.

Thus, British reluctance to act alone was strengthened by the possibility of a Japanese quid pro quo.

Nevertheless, Craigie agreed with Sir Archibald Clark Kerr, who had been racing ahead of the pack for some time in advocating aid to China, that Great Britain should be prepared to do what was necessary to keep Chiang Kai-shek's resistance from crumbling. Both felt that the possibility of Sino-Japanese collaboration could not be ruled out. The major issue for the British, then, continued to be not whether, but how, China should

16 Tgm., Craigie to Halifax, December 5, 1938, British Documents, VIII, No. 314.

17 Tgm., Craigie to Halifax, December 8, 1938, Ibid., No. 321.

18 Tgm., Clark Kerr to Halifax, December 2, 1938, and Craigie to Halifax, December 2, 1938, Ibid., Nos. 305, 308.
be helped. And, in the minds of the British, the thing which would do more than anything else to lessen the risks involved would be concerted action by the United States and Great Britain.

While American officials were also becoming resigned to the fact that China needed help soon, opposition to parallelism with Great Britain was not the only reason for their lack of enthusiasm toward a joint currency loan. The United States had, since the preceding September, been negotiating with the Chinese delegation headed by K. P. Chen regarding a loan, backed by the Chinese Government, to be repaid by future shipments of tung oil. A decision on this question took precedence over any new avenues of assistance to Chiang Kai-shek.

By early December, the negotiations had nearly reached a conclusion. Though opposition was strong from some quarters, there were those who strongly favored the project from the beginning. One of the latter was Secretary of the Treasury Henry Morgenthau. Morgenthau, always ready to voice his opinions on foreign policy whether requested or not, was particularly interested in the tung oil proposal because Treasury Department approval was necessary for the Export-Import Bank to make the proposed loan. He strongly urged financial assistance
to China, and was backed up in this position by Jesse H. Jones, Chairman of the Board of the Reconstruction Finance Corporation. Jones, in a letter to Morgenthau, referred to previous credits to China and the fact that repayment had been made on schedule. He could see no reason why the loan should not be made.

However, Jones’ reasons for favoring the loan were almost strictly economic in nature. Those who viewed the question from the angle of its political and military implications were more cautious in giving their support. In a memorandum prepared on the subject, Maxwell M. Hamilton, Chief of the Division of Far Eastern Affairs in the State Department, summarized the arguments against loans to China. He felt they would be impractical and unsound because China would not be able to make the necessary shipments due to transportation problems caused by the war. Furthermore, the United States would, through the loans, become involved in the conflict, yet insufficiently so as to influence the outcome. Hamilton also believed that Congress and the


country would refuse to back the project. He feared, moreover, that the proposed arrangement might conflict with the provisions of the Nine-Power Treaty since a monopoly of the control of wood oil sales would occur in favor of the United States. Hamilton concluded his list with the assertion that the action would worsen Japanese-American relations, endangering the chances for peaceful negotiations. 21

Secretary of State Hull agreed that the United States could not undertake the project without being drawn deeper into the conflict. Since this would tend to draw the United States into war with Japan, Hull said he could not "advise or concur in the course proposed." 22

On the other hand, Stanley K. Hornbeck, Adviser on Political Relations for Far Eastern Affairs, indirectly endorsed the tung oil project by advising the formulation of plans based upon a desire to aid Chinese resistance with whatever means necessary for their success. Hornbeck's principal concern was that any decision to aid China materially be accompanied by a willingness to go


22 Memo. by Hull, November 14, 1938, Ibid., pp. 574-75.
to any lengths in backing up that aid. 23

Despite the division of opinion, however, negotiations had gone forward during October and had been virtually completed the day before Canton fell on October 24. Discussions had then been suspended and Chiang Kai-shek was asked for assurances that resistance would continue. This assurance was given and the negotiations were resumed. 24 Even those most favorable to aid to China were not going to allow the United States to be caught "holding the bag."

The project was given major impetus in December when President Roosevelt informed Under Secretary of State Sumner Welles and Morgenthau that he wished to go ahead with the plans. Roosevelt had chosen an opportune time to make his wishes known, as Secretary of State Hull, one of the strongest opponents of the proposed loan, was en route to Lima, Peru, to attend the Eighth International Conference of American States. Welles notified Hull, aboard the S. S. Santa Clara, of Roosevelt's decision, and said he would attempt to call the President's attention to Hull's memorandum of November

23Memo. by Hornbeck, November 14, 1938, Ibid., pp. 572-74.

24Memo. by Feis to Hull, November 12, 1938, Ibid., p. 568.
14 (with which Welles agreed) before actual implementation had taken place. Hull agreed that the President should again be reminded of his Secretary of State's opposition and repeated his belief that completion of the project would have "grave possible consequences." However, with Roosevelt's approval, little now remained to serve as an obstacle to completion of the negotiations.

In the meantime, Welles had requested a Department memorandum on possible retaliatory action in the Far East. The document, submitted on December 5, contained the conclusions of Assistant Secretary of State Francis B. Sayre, Chief of the Division of Trade Agreements Harry C. Hawkins, Assistant Adviser on International Economic Affairs Frederick Livesey, and Chief of the Division of Far Eastern Affairs Maxwell M. Hamilton. The four men concluded that large scale retaliations against Japan were undesirable at that time because to undertake them would involve grave risk of armed conflict and would cause serious economic upheavals. In addition, it would demand considerable international co-operation (especially with Great Britain), and they

25 Tgm., Welles to Hull, December 2, 1933, Ibid., pp. 575-76.

26 Tgm., Hull to Welles, December 4, 1933, Ibid., p. 577.
believed that such co-operation could not be secured. The advisers did suggest, though, that the United States Government discourage loans or credits to Japan, and terminate the commercial treaty with Japan, provided some method could be worked out for continuing to admit Japanese merchants to the United States. They pointed out that the restriction on loans and credits could be defended from either the isolationists' or the internationalists' points of view. No stand was taken on aid to China, but the memorandum did contain the observation that such action did not seem as drastic as retaliation against Japan.\(^27\)

Much of United States Far Eastern policy as of December, 1938, was summarized in the memorandum presented to Welles. It emphasized the determination to avoid anything which might provoke armed conflict, even though this was the only course likely to deter Japan. No other democracy was in a position to participate in large scale retaliation, and the United States was not prepared to accept the consequences alone. Therefore, the memorandum left aid to China to help that country resist the threat of conquest as the only feasible, yet

worthwhile, method of safeguarding United States interests in the Far East.

The British, too, were becoming aware of the fact that nothing short of full scale reprisals would have a restraining effect on Japan, but were neither willing nor able to embark on such a course. Moreover, American officials had made it clear that the United States did not intend to participate in bilateral action of any type although they did notify the British Government of the possibility of American commercial credits to China.\(^\text{28}\) Encouraged by the latter information, His Majesty's Government introduced an Export Guarantees Bill in Parliament on December 8 designed to give the Board of Trade power to guarantee exports up to ten million pounds.\(^\text{29}\) Halifax apprised Sir Archibald Clark Kerr of the introduction of the legislation and instructed him to inform Chiang Kai-shek confidentially. At the same time, he pointed out that, although he was confident the Bill would be passed, it could not be passed before February of 1939. Furthermore, even though China

\(^{28}\text{Tgm., V. A. L. Mallet to Halifax, December 6, 1938, British Documents, VIII, No. 319. Mallet was British Charge d'Affaires in Washington.}\)

\(^{29}\text{Great Britain, 5 Parliamentary Debates (Commons), CCCXLII (1938-39), 1369.}\)
would be helped, since credits would not have to be on a purely commercial basis, too much should not be expected because the guarantees would have to be split up among several countries, of which China might be one. Ex-
treme caution persisted as the mainstay of British pol-
icy, even as concrete action was initiated.

Despite this caution, however, both American and British attitudes toward Japan were undeniably stiffening as the month of December wore on. Both remained steadfast in their refusal to acknowledge Japanese demands for recognition of special interests in the Far East. Japan insisted that what was being sought in the Far East, namely, "mutual economic relationships" between Japan, Manchukuo, and China, was no less justified than the existence of the British Empire. The Japanese spokesmen ignored the fact that armed aggression was being used to bring about this "mutual economic relationship." Thus, Western diplomats could not accept the Japanese contention that trade discrimination would not occur in the Far East, once the "new order" was estab-
lished.

30 Tgms., Halifax to Clark Kerr, December 10 and December 12, 1938, British Documents, VIII, Nos. 327 and 331.

31 Memo. by Arita to Grew, December 8, 1938, For-
eign Relations, Japan, I, 814-16.
In the United States, as discussions continued on aid to China, the seriousness with which the situation was viewed was underscored by the announcement that Ambassador Nelson T. Johnson was being called home from China for consultation.  

Further evidence of the gradual, almost imperceptible, shift in opinion towards Japan came with the declaration by the Munitions Control Board that Japan had not acquired a single license for obtaining munitions from the United States in the month of November. This was the first time this had happened since the license system had been set up on May 1, 1937, when the Neutrality Act was passed. On the other hand, licenses to China had increased. The "moral embargo" was having an effect. 

Republican Senator Arthur H. Vandenberg of Michigan spoke for a powerful segment of the American people when he stated that he would continue to oppose any attempt to amend the Neutrality Act to give the President discretionary authority. Yet, the Roosevelt Administration, through the refusal to recognize a state of war between Japan and China, and through the "moral embargo," was able to swing the tide

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33 Ibid., December 11, 1938, p. 42.
34 Ibid., p. 44.
of American trade away from a situation whereby Japan, because of her control of the seas, enjoyed a more favorable position.

The New York Times added its voice to those advocating a less conciliatory stand in regard to the dictatorships. A lengthy editorial in that influential newspaper on December 12 took a definite position in favor of increased armament, even while warning against hysteria. In addition, Ferdinand Kuhn, Jr., a correspondent of the same newspaper in London, noted "an unmistakable hardening of British public opinion," and "a stiffening of British Government policy toward Germany, Italy, and Japan."

The climate was favorable to positive action, then, as the last obstacle to completion of the tung oil project was removed. Maxwell M. Hamilton, Chief of the State Department's Division of Far Eastern Affairs, told Herman Oliphant, General Counsel to the Treasury Department, that the State Department wanted an amendment to the proposal which would guarantee title to the tung oil upon delivery to the United States. The amendment was added and, on December 12, Hamilton informed Oliphant

35Ibid., December 12, 1938, p. 18.
36Ibid., December 13, 1938, p. 20.
that the contract was acceptable to his department. 37

So, in spite of Joseph C. Grew's warnings from Tokyo that the tone of articles in the Japanese press on rumors of possible aid to China was uncompromising, 38 the Reconstruction Finance Corporation announced on December 15 that the Export-Import Bank had authorized the Universal Trading Corporation of New York to receive credits up to twenty-five million dollars. This was to be used for exporting agricultural and manufactured products to China and for importing wood (tung) oil. Wary of a possible strong reaction in Japan, Acting Secretary of State Welles instructed Grew to defend this action as a purely commercial transaction, having no unfriendly meaning for the Japanese. 39

Technically, it was a commercial transaction, but as the news article reporting the event in The New York Times noted, it was "a government loan in all but name and then only thinly disguised..." 40 As such,

37Memo. by Hamilton, December 12, 1938, Foreign Relations, 1938, III, p. 583. For text of the proposed agreement see Ibid., pp. 584-86.


the measure had significance considerably greater than the amount of credit advanced implied. Twenty-five million dollars was but a token sum, hardly noticeable in relation to the figures usually used in regard to the foreign trade of the United States. However, the true importance of the loan was that it represented the first outright aid to China in her conflict with Japan. The political implications were inescapable, a fact well-realized by State Department officials and reflected in the cautious manner in which the proposal had been reviewed. The decision to approve it was taken only after it had become clear that less stringent measures were unlikely to be of any avail in influencing the outcome of the Far Eastern imbroglio. The door to peaceful negotiation remained open, and American determination to stay out of war persisted, but, at the same time, an important step had been taken to support diplomatic protests. Moreover, while the aid given was insufficient to be of great material value to China, it did serve to stimulate renewed spirit among Chiang Kai-shek and his followers.

By coincidence, the American announcement came on the same day that the Export Guarantees Bill was given second reading in the British House of Commons.41 This

41 Great Britain, 5 Parliamentary Debates (Commons), CCCXLII (1938-39), 2221.
was as close to parallel action as the two nations came
during this period, and it was not by coincidence, but
by American planning, that they did not come any nearer.
However, the news of the United States' decision was
well-received in the United Kingdom. Speaking in Par-
liament, Prime Minister Neville Chamberlain stated:

In principle, His Majesty's Government would be
glad if it is found possible to facilitate certain
United Kingdom exports to China in the same way,
and this question will be sympathetically considered
when the Export Guarantees Bill has been passed.42

Opposition members of Parliament who disagreed
with the Chamberlain Government's foreign policy saw in
the American move a reason for urging that a stronger
British stand be taken. A. V. Alexander, for example,
advocated following the American lead in granting export
credits.43

American officials, also, made it known that
they would look favorably on similar British action.
Despite the rigid opposition to parallel measures, which
would be viewed by the American people as entanglement,
independent action, even if analogous, was regarded as
desirable. Stanley K. Hornbeck told V. A. L. Mallet,
British Chargé d'Affaires, that he felt the psychological

42Ibid., col. 2482.
43Ibid., cols. 2616-17.
effect was the most important factor, and might be viewed by the Japanese as a warning. Mallet, when informing Lord Halifax of Hornbeck's statement, added his own opinion that it would be good for Anglo-American cooperation to make known soon what would be done for the Chinese.44

Notwithstanding the American expression of a desire for similar actions on behalf of China, State Department officials were not willing to follow the British suggestion of a parallel currency stabilization loan. This proposal, made by Great Britain in early December, and never favorably regarded by American diplomats, was rejected completely now, because the credit extended through the Export-Import Bank was felt to be as far as the United States could go at the time.45

What this meant was that no new endeavors would be undertaken for the time being; it did not mean that existing policies beneficial to China would be discontinued. Therefore, on December 19, Secretary of the Treasury Morgenthau announced that the arrangement of July 9, 1937, by which China was able to acquire dollar exchange

for gold held in the United States, would be extended beyond December 31, 1938. Though little more than routine, this announcement, coming as it did on the heels of the export credits decision, had a significance out of proportion to its material value. Through this move, the United States evinced once more its confidence in the willingness and ability of Chiang Kai-shek's forces to continue resisting the Japanese onslaught.

In China, this aspect of the American loan decision was greeted with considerable gratification. The news of the extension of credit reached Chungking at approximately the same time that reports arrived from London stating that granting of British credits was likely. Despite their jubilation over the prospect of British credits, the Chinese did not miss the opportunity to use the American action as a means of encouraging Great Britain to follow the lead of its ally. Quo Tai-chi, Chinese Ambassador in London, voiced this plea to Lord Halifax. The Foreign Secretary reminded him that export credits were under consideration, but warned that

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China could not expect anything near the four or five million pounds they desired.\textsuperscript{48}

Adding to the persuasiveness of China's requests was the fact that the Japanese reaction to the American loan was not as strong as had been expected. Foreign Minister Arita stated at a press conference that it was "'a regrettable act.'" He said his reaction to a British loan would be the same.\textsuperscript{49} The reaction, which could scarcely be regarded as violent, was in marked contrast to Sir Robert Craigie's expectations and served to calm the disquietude of some who had feared strong Japanese objections, possibly even retaliation.\textsuperscript{50}

There was little need for Japan to react violently. She had charted her course in China well in advance and had successfully ignored token resistance on the part of the United States and Great Britain. The Japanese militarists were well aware that the limited aid now being given Chiang Kai-shek was unlikely to spell the difference between success and failure. The principal concern of Japan at this point was to consolidate

\textsuperscript{48}Halifax to Clark Kerr, December 19, 1938, British Documents, VIII, No. 355.


\textsuperscript{50}Cf. Supra, p. 86.
her position in China, and establish the "new order" in East Asia. This she planned to do regardless of whether China received minor assistance.

Lest any still doubted the Japanese intentions, however, Foreign Minister Arita issued another statement of position to the press on December 22. He repeated the desire for a "new order," stressing economic co-operation between Japan, Manchukuo, and China. The "new order" was necessary, Arita insisted, in order to insure "permanent stability" for the Far East. Furthermore, Japan had no intention of excluding American and European interests. In the minds of Western diplomats, however, the thing that was needed to establish stability was for Japan to withdraw from China. But Japan was not asking advice, nor was she accepting it unsolicited.

Arita's declarations were reinforced three days later by Prime Minister Konoye's warning to China that Japan intended to "exterminate" the Kuomintang Government in the process of establishing the "new order." Though directed at China, Konoye was well aware that his words would not fail to reach Western capitals. What

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52 Statement by Konoye, December 22, 1938, Ibid., pp. 482-83.
was implied was that the United States and Great Britain were bailing a hopelessly sinking ship.

Hopeless or not, the decision to help had been made, and, while the democracies had not really gotten their feet wet, there were those who advocated wading into deeper water. Stanley K. Hornbeck was one of the leading spokesmen for possible further action in restraint of Japan. While he agreed that retaliation was not advisable at the moment, he did favor formulation of such plans. Hornbeck believed that the risk of armed conflict would be less if this were done than if no action were taken. He was confident that the United States was capable of forcing Japan to modify its actions, and recommended denunciation of the Japanese-American Commercial Treaty of 1911.  

Although most American officials were not, as yet, prepared to go as far as Hornbeck proposed, implementation of the Export-Import Bank credits went forward. On December 22 General Motors Corporation and Chrysler Corporation concluded contracts with the Universal Trading Corporation calling for 500 trucks from each company to be shipped to China to replace railroad systems.

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destroyed by the Japanese armies.\textsuperscript{54}

Extension of credit was a source of trepidation to some, but American confidence received "a shot in the arm" on Christmas Day, 1938, with the announcement of the Declaration of Lima by the Eighth Pan-American Conference on the previous day. The agreement provided for making common cause in the case of threats against any one of the signatories. A meeting of all the foreign ministers could be called at the request of any one of them.\textsuperscript{55} Though concerned primarily with the European dictators, the Declaration contributed to a sense of security which was the uppermost desire in the minds of so many Americans.

Fears of those in the American State Department and the British Foreign Office over the outcome of the aid to China were further quieted in late December by reports from Tokyo that Japanese Foreign Minister Arita had become more friendly and conciliatory than previously. Both Grew and Craigie had talked with Arita on December 26 and reached the same conclusion. Craigie in particular, and Grew to a lesser extent, attributed this to the beginnings of a firmer policy in London and


\textsuperscript{55}Ibid., December 25, 1938, p. 1.
The British Ambassador noted further evidence of the change in Vice-Foreign Minister Renzo Sawada's note that no further explanation would be given concerning Prince Konoye's statement of December 22. The note, according to Craigie, was "more politely phrased" than those received in the past. Whether or not the conciliatory attitude was sincere was a valid question, but at the same time, it was a question of secondary importance. The important result which developed in the days after the first aid to Chiang Kai-shek was that relations had not worsened, while China's ability to resist was bolstered.

Nevertheless, the threat of war, in Europe as well as the Far East, was inescapable. The Czechoslovakian crisis and the extension of the Sino-Japanese conflict into southern China had given impetus to demands for increased preparedness in both Great Britain and the United States. While little was done along this line in the latter country in 1938, one important step was taken which reflected the apprehension caused

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57 Tgm., Craigie to Halifax, December 27, 1938, British Documents, VIII, No. 372.
by Japanese belligerency. On December 27 Secretary of the Navy Claude A. Swanson sent to the Speaker of the House of Representatives the recommendations of the Board on Submarine, Destroyer, Mine, and Naval Air Bases. The board recommended improvements in the bases at Pearl Harbor, Midway, Wake, and Guam, and placed them in "Category A" for earliest completion. But Congress, still controlled by isolationists who feared antagonizing Japan, did not act upon the recommendation, emphasizing the fact that any further action on behalf of China or in restraint of Japan would have to be within the limits of the Executive Department.

One of the major lines of action which could be taken without Congressional approval was that of diplomatic protests. Though by this time most officials had given up all but the last desperate shreds of hope that such representations would do any good, responsible diplomats knew they could not be abandoned. Thus, on December 30, the State Department answered the Japanese note of November 18, which in turn had been a reply to the American statement of October 6. Though somewhat

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stiffer in tone, the document of December 30 was quite similar in content to the earlier one. Ambassador Grew reaffirmed United States adherence to the Open Door, and rejected the idea that Western powers needed to recognize a "new order" in the Far East.\(^{59}\) It was, in essence, simply a restatement of what Japan well knew to be the American position.

However, the note of December 30 was backed by the accomplished fact of aid already extended to China, and, therefore, the implication that the United States might be willing to take further steps to protect American interests in the Far East. Its meaning was clear—the United States had slowly and painfully come to the obvious conclusion that Japanese assurances of respect for outside interests were meaningless on the one hand and worthless on the other. As a result, the Roosevelt Administration made it clear that the United States did not intend to forsake its Far Eastern claims, and that Japanese failure in China was regarded as the best hope for equality of opportunity there.

It was evident, also, as the year 1938 drew to a close, that Great Britain had reached the same basic

conclusions as had the United States. Because of the situation in Europe, the British had to depend upon the United States to take the lead in the Far East. The American people would not stand for a policy of parallelism, but they could not keep the Foreign Office from shaping British foreign policy in accordance with the American posture in East Asia.

The die had been cast. The United States and Great Britain had cast their lot with China.
CHAPTER V

CONCLUSION: "METHODS SHORT OF WAR"

There are many methods short of war, but stronger and more effective than mere words, of bringing home to aggressor governments the aggregate sentiments of our own people.

With these words, President Franklin D. Roosevelt summarized the position of the United States regarding foreign affairs at the beginning of 1939. Indeed, most of Roosevelt's message to the Seventy-Sixth Congress on January 4, 1939, was devoted to international matters. He warned that no nation was safe in a modern age if any other nation refused to settle grievances by negotiation. This made it necessary, the President said, to recognize the fact that peaceful countries had to be prepared to defend themselves, and to maintain unity and prosperity at home to meet the threat from abroad.1

The Roosevelt Administration had, during the last three months of 1938, arrived at a position of

willingness to use "methods short of war" to restrain aggressor nations. Though the methods used heretofore were far short of war, the Administration finally realized that Japan would not negotiate and, therefore, measures designed to arrest the spread of aggression would have to be taken.

This conclusion was manifested principally by the decision, on December 15, 1938, to grant export credits to China. In addition, the American State Department had made clear to Japan and to the world that it did not regard Japanese closing of the Open Door as justified.

As a result, Roosevelt's speech to Congress came not as a bolt from the blue, as had his "quarantine speech" of October 5, 1937, but as another step in the shift of American policy regarding the aggressor nations, particularly Japan.

The British, deeply absorbed in European matters, had followed the gradual change in American thinking with keen interest, welcoming every indication of a stiffening attitude. So, also, was Roosevelt's speech welcomed. The Times praised it in an editorial, calling it a contribution to peace.² Prime Minister Neville

²The Times (London), January 5, 1939, p. 13.
Chamberlain, also, voiced approval of, and agreement with, Roosevelt's position. For Chamberlain and the British, the speech was further indication that the United States was, at last, beginning to assume, if only to a limited extent, the role of principal spokesman for Western interests in the Far East.

That role was one which had been offered to the United States as far back as the Brussels Conference in November of 1937. The Americans refused it at that time and only adopted it gradually through force of circumstances. Most American officials had little taste for the role, yet realized that Great Britain could not afford to divert much of her effort from the European scene. At the same time, isolationist sentiment was so strong within the United States as to preclude both vigorous, unilateral reprisals and large-scale Anglo-American co-operation. Nevertheless, it was evident from the time of the Brussels Conference onward that, unless the United States chose to withdraw entirely from East Asia, she could not escape the burden of representing Western interests.

Great Britain would have been willing to support

the United States had the latter desired to take the lead in a stronger stand against Japanese encroachments. But, American opposition to parallelism proved to be just as strong as the determination to avoid anything which might provoke Japan. This, too, became evident soon after the outbreak of hostilities when the American State Department refused to consider joint action in the incident involving the Panay and the Ladybird in 1937. To the American people, parallelism was entanglement, and avoiding entanglement was one method of avoiding war.

The two events which forced Great Britain and the United States, particularly the latter, to reappraise their Far Eastern policy were the Czechoslovakian crisis and the invasion of southern China by Japanese troops. The Munich Agreement of September, 1938, rescued Europe from the brink of war, but it left in its wake the sobering realization that the democratic nations of the world were facing the possibility of a two-front war for which they were woefully unprepared. In addition, it drove home once more the fact that the United States would be expected to bear the brunt of whatever developments occurred in the Far East.

Cognizant of the growing pressure on the United States, American officials began serious consideration
of new policies and approaches early in the autumn of 1938. President Roosevelt took advantage of world unrest to turn attention outward following his unsuccessful attempts to effect the defeat of Congressmen who opposed his domestic policies; this program reached a climax with the "methods short of war" speech. Negotiations were initiated for a possible loan to China in September, and, within a few days of the Munich Agreement, the American State Department issued the note which demanded that Japan respect the Open Door in China.

Though the Open Door had always commanded more respect on paper than in actual fact, the United States, by calling upon Japan to cease interference with equality of opportunity, hoped to bring the pressure of world opinion to bear against her. By this time, however, Japan had advanced too far down the path of expansionism to be swayed by appeals to world opinion. Nevertheless, the American note of October 6 was a departure from the

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4Samuel I. Rosenman, Working with Roosevelt (New York: Harper and Brothers, 1952), p. 181. Rosenman, a strong admirer of Roosevelt, concedes that Roosevelt's heightened concern with foreign affairs was at least partly due to the unsuccessful purges.

procedure established during the preceding months of the conflict whereby individual protests were made regarding each incident involving American rights. By making a general demand, the State Department revealed its conclusion that only a change in Japan's overall policy would bring about equality of opportunity. But, the United States was neither ready nor willing to take steps which would force Japan to change her course of action.

Great Britain's policy during the days immediately following the Munich Agreement was much the same as that which she pursued through most of the latter part of 1938. This was, essentially, a program of watchful waiting. The British watched for any opportunity to ease tensions in the Far East, and waited for the United States to take the lead, either in aiding China or in restraining Japan. Eventually, their patience was rewarded.

The extension of hostilities into southern China forced both the British Foreign Office and the American State Department to accelerate their re-evaluations of Far Eastern policy. Though not a direct outcome of the appeasement at Munich, Japan's invasion of an area where Western, especially British, interests were strong was facilitated by the low ebb of British prestige, and by
the fact that Great Britain's hands were virtually tied by continued tension in Europe.

Once warfare had been extended into southern China, Far Eastern policy had to be centered around two unsettling facts. First, there could no longer be any doubt that Japan would be satisfied only with the capitulation of China. Second, the ease with which the Japanese took Canton and Hankow made capitulation a distinct possibility. According to Chiang Kai-shek, American and British aid would be necessary to enable him to continue the struggle. He let it be known that he might consider co-operation with Japan if he did not receive assistance. Neither British nor American officials could afford to regard Chiang's statements as bluffing simply to hasten aid. Regardless of whether it occurred through military conquest or voluntary surrender, the prospect of the Far East being dominated by Japan was abhorrent to Great Britain and the United States.

Despite the increased concern over the fate of China, however, decisions on how to cope with it did not come quickly. The British waited, through October and November, for the United States to take the lead; the United States simply waited. The State Department had to be convinced that no alternative remained save assistance to the Chinese.
The most significant indication that Japan intended total domination of East Asia was her attack on southern China. Moreover, other events followed which reinforced this conclusion. One of these was the designation of Hachiro Arita as Japanese Foreign Minister. Arita's appointment, in late October, coincided with the growth of totalitarianism in Japan, and with the turning over of China policy to the "China Organ." The latter body determined Japanese policies in China independent of the Foreign Minister, thus increasing the difficulty of obtaining satisfaction through protests to the Japanese Foreign Office.

As a result, the statement issued by Japan on November 3, 1938, was a public summation of what had clearly become the goals of the Japanese offensive. The key demand in the statement was that non-Asian powers were expected to adjust their policy to what was variously referred to as the "new order" or "new situation" in the Far East. Japan had been demanding recognition of the "new order" for years, but had never before been in such a favorable position for enforcing it. Now, with the Japanese offensive well into southern China, and with Japanese forces in control of such important cities as Canton and Hankow, there was little doubt that economic co-operation between China, Manchukuo, and Japan might
occur, with consequent exclusion of outside interests. Western officials realized this, but could not come to agreement on what should be done to prevent it. Fettered by isolationism and the fear of provoking war with Japan, the American State Department continued its cautious approach. The British Foreign Office followed suit, aware that any move not compatible with American policy was unthinkable as long as the European scene remained tense.

The Japanese demands were emphasized again in the answer to the American note of October 6, 1938. The reply, made on November 18, said much the same thing as the statement of November 3. Furthermore, the contempt of the Japanese for Western rights and interests was illustrated by the fact that the statement of November 3 was made public well before the formal answer to the American note. Since the earlier declaration was, essentially, a rebuttal to the American demands, it was a diplomatic affront to the United States. Though no issue was made of this, it did help to convince American officials that Japan did not intend to be bound by traditional diplomatic customs.

By mid-November the situation was such that both British and American officials knew fresh approaches would have to be considered. It was evident, too, that
since the United States had made broad demands of Japan and been rejected, the lead in representing Western interests had now passed to the Americans.

The United States assumed the role of leadership reluctantly, and, at nearly the same time, initiated one of the few actions which brought her near to joint action with the British. It was the American State Department which suggested that similar protests be made against restricted navigation of the Yangtze River. Similar, though not identical, protests were made, and both countries refused to accept the Japanese reasons for continuing the restrictions. Therefore, the Yangtze River question became a link in the chain of events which led to the decision to aid China. On the other hand, it did not lead to closer co-operation between the United States and Britain. After this the United States swung sharply away from parallelism once again.

The American opposition to acting in concert with the British was not engendered by anti-British feelings. The reciprocal trade agreement of November 17, 1938, illustrated the amicable relations between the two countries. However, commercial ties were regarded in an entirely different light than political and military relations. While extreme isolationists questioned the wisdom of commercial ties as well, the factor
which caused the greatest concern for many Americans was that of entanglements which might draw the United States into conflict. To prevent this, the United States would have to remain free of anything which might commit her to come to the defense of Britain in the event of war.

While the United States tried to avoid parallel action, one of the principal concerns of Great Britain was to try to keep away from any unilateral action of a provocative nature. When consideration was first given to a currency stabilization loan in November, one of the major qualifications upon which the decision rested was whether the United States would be willing to undertake similar action. When the United States refused to participate, the plan was dropped for the time being. The dangers were simply too great, the British believed, to be risked alone.

Consequently, when the United States revealed that export credits to China were being considered, Great Britain began giving major attention to that type of aid, also.

For the United States, the question of export credits marked a crucial point in Far Eastern policy formation. The aid extended to Chiang Kai-shek on December 15, 1938, was limited, but it committed the United States to the support of China. Therefore, it signaled a turning
point in the American attitude toward the Far Eastern struggle.

In keeping with general American policy of this period, the aid given was small enough to prevent a violent reaction from Japan, and was tendered only after long and serious consideration. The lengthy debate over whether the loan should be made was partly due to the strong opposition from some American officials. Since much of the opposition came from members of the State Department, among whom fear of provoking conflict was strong, the decision to proceed with the project came slowly. Indeed, with the exception of President Roosevelt himself, the principal advocates of aid to China were outside the State Department. Secretary of the Treasury Henry Morgenthau and Secretary of the Interior Harold Ickes, for instance, were much more desirous of sending aid to Chiang Kai-shek than was Secretary of State Cordell Hull. Furthermore, Roosevelt's decision to move forward with the export credits while Hull was out of the country illustrated the President's determination to exercise the principal functions in the field of foreign affairs himself.

By the latter part of 1938 Roosevelt had decided that the time had come to make another attempt to lead the United States from the seclusion of isolationism to the outside world of international politics. This decision resulted in heightened concern over the nation's military preparedness, as well as in the decision to begin aid to Chiang Kai-shek, and culminated in the "methods short of war" speech on January 4, 1939. Notwithstanding Roosevelt's disappointments on the domestic scene, events occurring in September, October, and November did much to make the American people more receptive to his ventures into world affairs. The Czechoslovakian crisis, and the boldness of the Japanese offensive in China during those months, along with the arrogant refusal of Japan to respect American rights, served to initiate a trend, though only a slight trend, away from isolationism.  

At the same time, however, care was taken to keep aid to China on a small enough scale to prevent being drawn into armed conflict with Japan. The major intent of the measures taken was to give China sufficient moral, if not material, support to continue to

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stave off the invaders. The United States was, in effect, supporting a delaying action. Opposed to Japanese domination of China, American officials were, at the same time, unwilling to use force or even the hint of force to prevent it. The sole remaining alternative was to try to keep Chinese resistance alive. The British were in basic agreement with this policy, despite their desire for joint, rather than independent, endeavors.

The export loan granted to China was, therefore, the most important step taken within the framework of what was considered practicable. This move, more than anything else, committed the United States to a pro-China policy for the future. Furthermore, it gave added incentive to Great Britain to proceed with the Export Guarantees Bill. The significance of the measure was not diminished by the extreme caution which accompanied its execution. The emphasis placed on the commercial aspects of the loan was intended as much to placate the isolationists in the United States as to soften Japanese reaction. Nonetheless, the fact remained that the loan was sponsored and approved by government agencies and departments. It was meaningful because it expressed

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concretely the decision of the United States to support China with something more than sympathy.

Though the British were disappointed with the American refusal to adopt a policy of parallelism, this was the type of leadership Great Britain had been waiting for the United States to assume for months. This reluctant acceptance of leadership by the United States had come about neither through formal Anglo-American agreement nor by coincidence. While both countries knew that joint action offered the best hope for success in restraining Japan, American policy-makers also knew that isolationists in the United States would not tolerate "entanglement" with Great Britain. On the other hand, British officials had become resigned to the fact that the United States would not participate in concerted efforts. But, when the Foreign Office noted a stiffening American attitude, through the note of October 6, 1938, and the disclosure that aid to China was under consideration, it was realized that similar British action would be much less perilous than if undertaken alone. The United States, grateful for support, had no objection to analogous British measures, so long as it was clear that such action was unsolicited.

The assumption that the American loan had reduced the danger of Japanese retaliation was confirmed
by the mild reaction in Japan toward the loan. Japan, confident of victory, could use this as additional justification for excluding Western commercial interests from the Far East, and establishing the "new order." Regardless of the reasons, however, Japanese recalcitrance was modified, at least for the time being.

Thus, the American note of December 30 was an appropriate conclusion for American, and British, policy regarding the Far East in 1933. In firmly rejecting the "new order," and the right of Japan to establish it, the note made clear the fact that the Western powers would no longer depend upon Japanese assurances of honorable intentions in East Asia. The United States and Great Britain had, by word and deed, committed themselves to Chinese victory.

The commitment came slowly and hesitatingly amid an air of confusion. In 1937 the prevailing attitude had approached a hope that perhaps if the Far Eastern problem were ignored it would work itself out. But, by the autumn of 1938, the situation had not improved, indeed, it had worsened. Then began the perplexing task of trying to formulate a policy which would protect Western interests without overstepping the limits imposed by isolationism, fear of war, and the ominous European situation. When Japan stepped up her offensive in China,
shortly after the Sudetenland was engulfed by Hitler's Drang nach Osten, diplomats could no longer enjoy the luxury of waiting for the Far Eastern struggle to be resolved on a local level. As Japanese intentions became crystal clear, the frantic search for a feasible means of protecting China, and Western interests there, was intensified.

The major responsibility for finding an answer fell, of necessity, to the United States. As much as the Americans would have preferred to decline the leading role, the only way they could have done so would have been to withdraw from the Far East entirely. As the only democratic nation not bound by the European situation, yet deeply involved in the Far East commercially, politically, and sentimentally, the United States could not escape playing a leading part. Furthermore, the very fact that isolationist feelings were so strong helped to thrust the task of speaking for the democracies on the American Government. Since the United States would not participate in a united front, the European nations, notably Great Britain, felt much more justified in playing the waiting game until the United States took the lead. By the end of the year, the United States reluctantly accepted the leading role, while steadfastly maintaining its opposition to parallelism.
The American Government assumed the position of leadership through the same events by which it committed itself to support of China. By demanding that Japan respect the Open Door, and by rejecting the reasons given by the Japanese in defense of their policy, the State Department moved to the forefront with a firm diplomatic stand. In addition, the extension of aid to Chiang Kai-shek was the first of its kind by any nation.

The United States attained, in the last three months of 1938, what was designed to be a firm but not provocative policy. Though firm only in relation to previous attitudes, it was sufficient to induce Great Britain to stiffen her position. The British joined the United States in making similar protests regarding navigation of the Yangtze River, and moved forward with plans for export guarantees when advised of American plans for the same action.

At the very least, Anglo-American policy toward


the Far Eastern conflict had become firm enough by the close of 1938 to leave no doubt as to who would be supported in the eventuality of global war. On the other hand, the Far Eastern policy of the two democracies had reached the point where it was clear that, while both hoped to avoid war, neither was willing to allow Western involvement in East Asia to be terminated through conquest or default.

They were, in the words of President Roosevelt, ready to use "methods short of war" to defend their rights and interests. What these methods would be was left to later decisions, but the measures taken in the waning days of 1938 indicated that a firmer stand would, indeed, be taken. A tiny, hairline fissure had appeared in the wall of isolationism, and President Franklin D. Roosevelt and his supporters stood ready to widen it. Great Britain, beginning to question its own policy of appeasement in Europe, waited for any opportunity to encourage further American ventures into the maelstrom of world politics.

11 Drummond, pp. 81-82. Cf. Basil Rauch, Roosevelt from Munich to Pearl Harbor: A Study in the Creation of a Foreign Policy (New York: Creative Age Press, 1950), pp. 95 and 100-01, for an assessment highly favorable to Roosevelt; and Charles A. Beard, American Foreign Policy in the Making, 1932-1940: A Study in Responsibilities (New Haven: Yale University Press, 1946), pp. 219-20, for an interpretation opposed to that of Rauch's.
BIBLIOGRAPHY

Diplomatic Documents


This is the basic source for any study of American foreign policy. The diplomatic correspondence and memoranda pertinent to the period are reproduced in this series. Although careful and judicious culling must be done, it is here that the most complete available picture of American policy is to be found.


The documents found here were selected to portray the American effort to prevent war with Japan through diplomatic means. Some of the most significant documents of the period are included, but a complete picture cannot be formed without recourse to the later, more comprehensive State Department publications.


An introduction to the major events in Japanese-American relations, this volume has been rendered nearly obsolete by later publication of documents.

U. S. Department of State. United States Relations with China: With Special Reference to the Period

As indicated by the title, this "White Paper" emphasizes post-World War II relations and is fragmentary on the pre-war period.


The editors had access to all papers in the Archives, as well as freedom regarding publication of them. The editing, indexing, and arrangement of the documents are excellent. As a result, this is an indispensable primary source.

Public Documents


Little was said regarding Far Eastern matters by the members of Parliament during this period. However, occasional questions were raised and answered, and give some insight into the Chamberlain Government's position.


This report recommended increases and improvements in bases in the Pacific. Congress failed to act on the recommendations.

Memoirs, Diaries, and Personal Papers


Atlee criticizes the Conservatives and defends his own actions. His work is of value
only for a generalized view of the opposition party's attitude.


Most of Morgenthau's diary dealt with domestic affairs. On the other hand, he was a firm advocate of financial aid to China, and various references to this question are found herein.


Chamberlain's major speeches between May, 1937, and May, 1939, are reproduced here. However, no mention of the Far East was made, as the speeches all deal with European or domestic questions.


The principal value of this admirable work here is for reference. Churchill does not mention the Far East specifically.


Cooper resigned as First Lord of the Admiralty because of disapproval of the Munich Agreement and the policy of appeasement. His work is valuable for insight into the domestic situation and the European background.


Eden concludes this first volume of his memoirs with his resignation as Foreign Secretary in March of 1938. Therefore, this volume is useful only for background and reference.

This volume is the result of the condensation of thirteen volumes of Grew's diary. Though he edited the material carefully, his observations are valuable to an understanding of the situation in Japan, as well as basic American policies.


Because it covers a much longer period of time, and is less detailed than Grew's earlier publication, this work is of limited value here.


These memoirs are of little value. Halifax gives too much attention to personal matters and folksy anecdotes and too little attention to the momentous events of his years as Foreign Secretary. He gives practically no details on those years.


Although fragmentary on the period in question, Hull's recollections are valuable for an understanding of the general attitudes and policies followed by the State Department. He attempts to present his own actions and those of the Roosevelt Administration in a favorable light, but does not ignore the fact that other courses might have been taken.


Ickes' observations deal primarily with domestic affairs, but there is an occasional reference to foreign matters. In addition, this has value for the insights the reader gets into the relationships within the Roosevelt Cabinet.


Unfortunately, there is nothing on Far Eastern matters here. However, as an important member of Chamberlain's Cabinet, Hore-Belisha's
notes on matters affecting the War Office are enlightening.


Most of these letters deal with routine or personal matters, with practically no references to the international situation. Thus, they have little value here.


Domestic affairs occupied the greater share of Roosevelt's attention in the period covered by these volumes. However, there is some material which refers to Europe, and the collection is essential to gauging Roosevelt's overall attitude on domestic and foreign matters.

Rosenman was one of Roosevelt's major speech writers and his book is admittedly pro-Roosevelt. It does provide helpful background on the President's basic ideas in foreign and domestic policy.


Though Stimson was not active in public life at this time, this book is good for background on the Far Eastern problem.

Books

This comprehensive survey of Anglo-American relations is written by a firm advocate of friendly relations between the two countries. It is valuable for background and reference.


Bailey presents a sometimes cynical, but always realistic, appraisal of the role of an often uninformed or misinformed citizenry in the formulation and execution of American foreign policy.


The views of the leading revisionists on the subject of American entry into World War II are presented in this collection of essays. It is important for an understanding of the position of this school of thought.


Beard was one of the leading revisionists, holding that Roosevelt misled the American people in the period preceding Pearl Harbor. His book is a highly critical appraisal of the foreign policy of Roosevelt's first two terms.


The relationship between Chamberlain and Halifax is explored here. The work, a scholarly study, is invaluable for understanding the machinery of the Foreign Office.


Some major documents are reproduced in this short, but solid, survey of American policy in the pre-war period.

This well-written biography sheds some light on the question of Anglo-American co-operation in the period prior to the Munich Agreement.


A solid, analytical survey, this work is excellent for general background and reference.


Very little information on Far Eastern affairs can be found here. Written while Halifax was still active, it is by no means a definitive work, although it does give a fairly complete description of the subject's life up to 1941.


This is a compilation of the major public opinion polls taken during the period indicated in the title, and is helpful in understanding the feelings of the American people on certain issues.


A revisionist studies American participation in the two world wars and the failure to gain a lasting peace. Too broad to be of great value here, it is important to an understanding of the revisionist interpretation of the question of intervention.


Though principally concerned with Communist influence in China, Chiang includes some comments on the war between 1937 and 1941 while reflecting on the role of the Communists in the United Front.

Cole, Wayne S. *Senator Gerald P. Nye and American Foreign Relations.* Minneapolis: The University
Senator Nye was one of the leading isolationists in the 1930’s. His biographer does not touch on Far Eastern affairs in this period, nevertheless, this is a solid study of isolationist thinking.

In this study of Stimson's role in American foreign policy (it is not a biography), Current is somewhat critical of his subject, but not condemnatory. Since Stimson was not in office during this period, this book is useful principally for background on the policy of non-recognition.

Here is an excellent critical analysis, essential for an understanding of the evolution of American policy from isolation to participation. It is well written and has very good documentation and bibliography.

Although short and only applicable for general background, Dulles's interpretations and analyses are penetrating and concise.

A good background on Chamberlain's basic ideas and considerations in the pre-war period is given here. A well-written biography, it is somewhat favorable to Chamberlain.

The question of the outbreak of the war is subjected to a well-documented analysis. It is of limited value here because Feis concentrates
on the period just prior to Pearl Harbor, but it is good for a general understanding of the period.


Considerable information is given here on the conduct of the war in China, while diplomatic relations are reviewed in a general manner. This work has been outdated, to some extent, by the publication of the British Foreign Office Documents.


Though old and concerned with the years prior to the period dealt with here, this is still one of the best works available on the subject of American Far Eastern policy. Thus, it is essential to the study of the background of this period.


This solid study of the pre-war period is valuable for its analysis of basic American policies. It is well done despite the early publication date.


A rather laudatory biography of Hull, this is by no means definitive. There is surprisingly little on Far Eastern matters. Hinton's biography has been partially superseded by the publication of Hull's memoirs.


As might be expected, this short analysis of American Far Eastern policy is an apologia. As such, however, it is useful for the views of one who helped make that policy.
This brief survey of British policy in the Far East has some value for background and reference purposes.

Japan's attempt to impose the "New Order" and, in effect, close the Open Door was one of the central issues in the conflict of this period. Consequently, Johnstone's study is important for the American reaction, although it is somewhat outdated.

Here is one of the best studies to date of pre-World War II American policy. It is valuable for reference and background, as well as for an understanding of the changing American attitude in 1938.

Chamberlain is the subject of favorable, but not uncritical, treatment in this scholarly, well-written biography. The policy of appeasement is defended. Unfortunately, no references are made to Far Eastern questions.

Medlicott, W. N. British Foreign Policy since Versailles. London: Methuen and Co., Ltd., 1940.
The major uses of this work are for background and reference, and for its excellent bibliography. It is a survey of British policy after 1919.

Morison is more favorable to Stimson than Current was. This is a well-written and well-documented biography. Its value is largely that of background information on American policy in the earlier Manchurian crisis.

This survey is fairly comprehensive and provides a good source of background information on foreign policy in this period.


A generalized treatment of the war and its relation to the rest of the world is presented here. The work is valuable for an understanding of the conduct of the war itself. In addition, the question of parallel Anglo-American action is discussed.


Written as a rebuttal to the revisionists, this work is pro-Roosevelt and pro-internationalist. Rauch sees the latter part of 1938 as a vital period in the development of Roosevelt's policy.


In condemning the appeasers, Rowse attempts to show that not everyone at All Souls College, Oxford, favored appeasement. The value of his work here is limited to its examination of the policy of appeasement in Europe.


Schroeder, in a very scholarly work, deals primarily with Japanese-American relations between the Tripartite Pact of September 27, 1940, and the attack on Pearl Harbor. However, he presents a good background on the previous period.


One of the annual publications for the Council on Foreign Relations, this volume gives an excellent survey of international affairs in 1938. It is helpful as a factual chronicle.

Because it deals only with domestic affairs in the period in question, this is of limited value.


This is one of the leading revisionist works on the question of American entry into World War II. Tansill offers arguments as to the reasons for American sympathy for China in the late 1930's, and questions whether this sympathy was justified.


The particular concern of Taylor is the outbreak of war in Europe in 1939. His book is helpful for background on the European problem. Taylor takes the United States to task for criticizing British appeasement at a time when American isolationism gave the British little choice.


There is more emphasis on domestic matters than on foreign affairs in this pro-Roosevelt biography, but it is good as a study of the times and of the leaders of the Roosevelt era.


Welles surveys the entire period between the two world wars, emphasizing the role of public opinion in foreign policy. His book is as much opinion as it is recollection.


The official biography of George VI is a well-written, detailed account, valuable for reference purposes. Predictably, however, much of the book deals with the King's personal life.
Articles


This is a well-written article on the Nevada senator's role as chairman of the Senate Foreign Relations Committee.


Masland traces the gradual, hesitant shift of American opinion toward Japan between 1931 and 1941.

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An enlightening treatment of the economic and commercial aspects of American Far Eastern policy is given here. Masland feels that these factors were not as important in causing opposition to Japan as was commonly thought.

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"Missionary Influence upon American Far Eastern Policy," Pacific Historical Review, X (September, 1941), 279-96.

The thesis of this article is that Japanese treatment of American missionaries in China was a major factor in causing the American people to support a policy of opposition to Japan. Masland is supported by others in this theory, notably, Thomas A. Bailey and Charles C. Tansill.

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Peffer analyzed Japanese intentions in China, pointing out the dangers to Western nations in the event of Japanese domination of East Asia.

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This study of editorial opinion from January, 1937, to March, 1938, is helpful for background information.

Newspapers

Although European matters commanded the greatest share of the attention given to foreign affairs by this newspaper, the Far Eastern situation was followed closely, also. The editors supported Roosevelt's efforts to initiate a stronger stand against Japan. In addition, this source provides a useful means of chronicling the progress of the war in China.

Comparatively little attention was given to the Far Eastern conflict by The Times. However, this newspaper did support those who desired a stronger stand by Great Britain, even while heralding the appeasement of Hitler.

Unpublished Material

This well-done thesis deals with the Far Eastern situation and the question of Anglo-American co-operation as a corollary to the study of British policy in Europe. Although he documents his thesis well, Himmelberg lists neither the Parliamentary Debates nor any newspapers in his bibliography.

Valuable as a detailed analysis of American policy regarding the renewal of war in China in 1937, this dissertation is also excellent for the background of American Far Eastern policy and for its fine bibliography.