DEPARTMENT OF STATE July 26

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1937 JUL 13 PMJ 31 1 612, 1937.

DIVISION OF COMMUNICATIONS AND RECORDS

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MEMORANDUM OF CONVERSATION BETWEEN SECRETARY HULL AN THE JAPANESE AMBASSADOR, MR. HIROSI SAITO.

Japanese-Chinese military trouble.

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The Japanese Ambassador called by his own request. He said that he had two things to discuss or to report on -- one was that Japan had two ships taking part in the search for Amelia Earhart and that their officials at Hawaii and other points had been instructed to keep closely posted on the search in the hope of being of some help. I thanked him very earnestly for this fine spirit of friendliness and cooperation on the part of his government.

The Ambassador then handed me a manuscript containing six paragraphs or points relative to the Japanese-Chinese military trouble which commenced on July 7th. A copy of the instrument of writing is attached hereto. The Ambassador read each numbered paragraph for the purpose of any comment I might wish to make. I inquired, when he read the first paragraph, how many troops there

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were in the Japanese detachment stationed at Fengtai on July 7th. He replied that he did not know but that he supposed it was a hundred or some such number. He said that he imagined this detachment, which was unexpectedly fired upon by Chinese troops, was on the other side of the river from the Chinese troops at the Marco Polo Bridge. When I suggested that Japanese troops had been understood to be camped at various points between the two railroads leading into Peking, he said he was not a student of the geography of this locality. He said that these Japanese troops were located in this Chinese area under the same authority that United States guards and those of three or four other countries are at present stationed in Peking and other Chinese cities. I expressed deep regret at the incident during the reading of each paragraph. He said that Chiang Kai-shek is behind the entire movement; that the idea, in the Ambassador's opinion, is to strengthen his prestige in northern China and especially with certain elements of Chinese who have charged him with being too lax and non-aggressive in his treatment of the Japanese situation. The Ambassador remarked that he still had some

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hope the matter might be composed, and then added that the Chinese must know that the Japanese could bring their fleet around to the Chinese coast and take complete control of the situation.

At the conclusion of the reading, I specially emphasized with approval the remarks of the Ambassador about the efforts of his government to work out a friendly settlement without war. I elaborated upon the futility of any other course and the awful consequences of war. I said that a great civilized firstclass power like Japan not only could afford to exercise general self-restraint in such circumstances but that in the long run it was far better that this should characterize the attitude and policy of his government; that I have been looking forward with increasing encouragement to an early period when our two great nations in particular, while other important countries are hesitating to go forward and in fact are slipping backward fundamentally with respect to their economic and standard-of-living situations, would have the opportunity, as well as the great responsibility, for world leadership with a constructive program like the

basic

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basic program proclaimed at Buenos Aires for the purpose of restoring and preserving stable conditions of business and of peace, which program I elaborated on; that no two great countries have rarely had such an opportunity in these respects as seems to be ahead for our two countries and that of course it means everything from this viewpoint, as well as others, that serious military operations should not be allowed to get under way; and again I expressed my strongest approval of the disposition and self-restraint which his government is manifesting, judging by the statements of the Ambassador. He said that he would be glad to keep me advised as to any further developments of consequence. I replied that of course this country is greatly interested and greatly concerned in conditions of peace in every part of the world, and that I would welcome anything further in the way of information from time to time, and would be glad to treat in very strictest confidence any confidential information he might care to give me on the subject. I again emphasized the great injury to the victor as well as the vanquished

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in case of any important war in this day and time, of
the great concern of this government for peace everywhere and of my earnest hope that our two countries
would soon find themselves in a situation to accentuate
a program such as we proclaimed in the main at Buenos
Aires. The Ambassador indicated his interest and
approval. I concluded by thanking him for his offer
to furnish further information.

C.H.

Handed to the Secretary of State by the Japanese Ambassador, July 12, 1937.

In the evening of July 7, 1937 a detachment of the Japanese troops stationed at Fengtai, near Peiping, was engaged in a night maneuver in the vicinity of Lukow Kiao. At 11:40 p.m. Chinese troops under the command of Feng Chih-an (29th Army) made an attack upon the Japanese soldiers for no cause at all.

Thereupon the detachment stopped the maneuver and asked the command at Fengtai to send out reinforcements.

- 2. At such maneuvers, the Japanese troops ordinarily carry a very small quantity of loaded shells for use in case of emergency. In point of fact the commanding officer of the said detachment had with him loaded shells enough to be distributed one shell for each soldier, besides one box of loaded shells for the machine guns. In view of these facts, it is absolutely impossible for the Japanese soldiers to have challenged the Chinese.
- tioned in North China is clearly stipulated in the Chino-Japanese Protocol of 1902 concerning the restoration of Tientsin to China. Moreover, the Japanese authorities had informed the Chinese in advance of the holding of the maneuver in question. It is entirely groundless to say

that the recent maneuver of the Japanese troops is an unlawful act committed outside the region stipulated in the said Protocol as reported in the newspapers.

A. Since the night of July 7, the Japanese authorities have made an earnest endeavor to localize the incident and once succeeded in bringing the Chinese authorities to agree to a peaceful settlement. On the night of July 10, however, the 29th Army, in violation of the agreement, suddenly fired on the Japanese troops, causing considerable casualties. In addition, it is reported, China has been increasing the forces of the first line by ordering Suiyan troops to march south and by sending central forces and air corps to the front.

Since the night of July 10, China not only has failed to manifest any sincerity toward a peaceful settlement but has flatly rejected the local negotiation at Peiping.

The presence of disorderly Chinese troops in the Peiping and Tientsin area not only disturbs peace and order in North China which is of vital importance to Japan but also endangers the lives and property of the Japanese nationals there.

In the circumstances, the Japanese Government has decided to take precautionary steps to meet all situations,

including the dispatch of additional military forces to North China.

The Japanese Government, desirous as ever to preserve peace in East Asia, has not abandoned hope that through peaceful negotiations the aggravation of the situation may yet be prevented.

An amicable solution can yet be attained if China agrees to offer apologies for the recent lawless action and to give adequate guarantees against such outrages in future.

In any case the Japanese Government is prepared to give full consideration to the rights and interests of the Powers in China.

July 12, 1937.