CABINET.

MANCHURIA.

Memorandum by the Secretary of State for Foreign Affairs.

The Council of the League of Nations is still discussing this question without securing as yet any accommodation between China and Japan. While M. Briand, who presides, is hopeful of a happy issue from the proposal for a Commission which he is now putting before the contending parties, it is useless to shut one's eyes to the fact that even if the proposed Resolution establishing a Commission of Enquiry was agreed upon, this would be for the Council of the League a very imperfect success. I am, however, still more concerned with the alternative which will arise if it becomes evident, as I fear it may, that even this degree of success is impossible and a complete deadlock results. The decision then to be taken by the Council of the League will necessarily have a most material influence upon its future as an effective international instrument for restraining military action and securing peaceful settlements. Moreover, the part played by the British Representative in the final stage of the discussions has a material bearing on British relations with Japan and China, and the whole incident may act prejudicially upon the Disarmament Conference.

In reaching its decision on these matters, so far as British policy and action is concerned, the Cabinet will wish to have before it a summary of what has happened.
There has been an unsolved Sino-Japanese problem in Manchuria for over twenty years - ever since the Japanese succeeded to Russian rights in that region after the Russo-Japanese war. The Chinese have never willingly accepted the Japanese position in Manchuria. In recent years their resistance - for the most part passive - has taken on a more active character. There have been frequent incidents and great friction eventually culminating in the affair of September 18th last. The Japanese military force guarding the zone of the South Manchurian Railway, alleging an attack by Chinese troops on the railway line just north of Mukden, carried out what was evidently a carefully prepared coup and proceeded to execute an equally carefully prepared programme. They seized simultaneously a number of widely separated points in Manchuria and proceeded systematically to drive out the Chinese authorities and establish their own authorities instead. On September 21st China appealed to the Council of the League, then in session at Geneva, under Article 11 of the Covenant. On September 30th the Council adopted unanimously a Resolution in which it took note of the Japanese representative's statement that his Government would continue as rapidly as possible the withdrawal of its troops, which had already been begun, into the railway zone in proportion as the safety of the lives and property of Japanese nationals was effectively assured and that his Government hoped to carry out this intention in full as speedily as may be. The Japanese Government however, failed to carry out the assurances given to the Council which therefore met again at Geneva from October 13th - 24th.

The Japanese representative now adopted the attitude that a preliminary agreement, binding China to recognize Japan's treaty rights in Manchuria, was an essential element of security and must be a condition precedent to evacuation. The other members of the Council /
on the other hand maintained that evacuation must
be a condition precedent to the negotiations for a
settlement of the questions in dispute between the
parties. On October the 24th, therefore, the
Council adopted a draft Resolution by 13 votes
to 1 (the Japanese alone voting against) calling
upon Japan to evacuate within three weeks, namely by
November 16th, the date fixed for the next meeting
of the Council. Owing to the want of unanimity,
this resolution had no juristic effect. Japanese
military operations in execution of the programme
above described have continued during this session
of the Council as during the last. The Japanese
representative has been persuaded to propose that a
League Commission should visit Manchuria and China,
but it is very doubtful whether agreement can be
reached as to the terms of reference of this
Commission. The Chinese delegate has indicated that
he does not reject, in principle, the suggestion of
a Commission, but that its appointment should not
furnish a pretext for delay in Japanese evacuation.
If the appointment of such a Commission could be
secured by general consent of the members of the
Council, it would undoubtedly be able to supply
much useful information on points which are at
present obscure or disputed between the contesting
parties.
There is a widespread feeling, which I believe to be justified, that although Japan has undoubtedly acted in a way contrary to the principles of the Covenant by taking the law into her own hands, she has a real grievance against China and the merits of the matter are complicated by a further consideration. This is not a case in which the armed forces of one country have crossed the frontiers of another in circumstances where they had no previous right to be on the other's soil. Japan owns the South Manchurian Railway and has been entitled throughout to have a body of Japanese guards upon the strip of land through which the railway runs. Japan's case is that, having her armed guards lawfully there, she was compelled by the failure of China to provide reasonable protection for Japanese lives and property in Manchuria in the face of attacks of Chinese bandits, and of an attack upon the line itself, to move Japanese forces forward and to occupy points in Manchuria which are beyond the line of the railway. This has grown by degrees into what is in effect an organised occupation, leading in its turn to serious fighting and bombing. But Japan continues to insist that she has no territorial ambitions in Manchuria — an expression, it will be observed, which does not necessarily imply that she is not thinking of some sort of protectorate, at any rate in Southern Manchuria. In spite of Japan's protests to the contrary, there can of course be no real doubt that she is pursuing the course of putting pressure on China by means of this occupation for the purpose of securing that the Japanese claims against China in that region may be met, e.g. the stopping of cut-throat competition with the South Manchurian Railway, which Japan asserts is
already promised to her by a Protocol of 1905 and the reaffirmation by China of the rights which Japan claims to have secured by a Treaty of 1915.

It is necessary to consider beforehand the various alternative situations with which we may very shortly be confronted and to form conclusions as to the possible action to be taken.

(1) In the event of a partial success, i.e., acceptance of the Resolution which has been put before the parties.

In this case the Council will have agreed to the dispatch of a Commission of Enquiry which may ultimately produce very valuable results. But that Commission could not report for eight or nine months at the earliest, and meanwhile we have no assurance that the Japanese will evacuate the territory which they have occupied, beyond the declaration that the Japanese Government are ready to do so directly certain conditions have been satisfied. Unfortunately now that we know the real meaning of those conditions we must realise that there is no immediate prospect of their fulfilment.

Therefore the Council will have failed in its immediate object of putting an end to Japanese occupation of Chinese territory. It will have to look on while its own summons is ignored. It will have to realise that it has failed to enforce the fundamental principle that a State may not, without prior recourse to the recognised means of peaceful settlement, take the law into its own hands.

The Council would be unwise if it attempted to ignore these facts. It would seem to be far better, even if the Resolution is adopted, that the Council should in some manner reaffirm the above principle, even though in this particular
case it has been powerless to apply it effectively. That would be an honest confession of weakness on the part of the Council, but that would be better than a cynical abandonment of the fundamental principle, upon which it has been attempting to build during these last 12 years an organisation for the preservation of peace.

Any such declaration would evidently come best from the President himself. Other members of the Council might endorse it and add any observations which they might see fit to offer.

But the question arises, if the President is not prepared to make any sufficiently strong declaration on this head and if there is no other way of achieving it, whether the British Delegate should take the lead in doing so.

It is obvious that by taking the lead in this matter we should offend the Japanese Government.

Here we have got to weigh the disadvantages against each other. On the one hand the immediate disadvantage to ourselves in losing favour with Japan; and on the other hand the general risk, in which we share, is that the League, in refusing to reaffirm its true function, will lose so much respect as may yet be accorded to it in the face of its failure to enforce its demands upon the parties.

(2) In the event of failure to secure the adoption of the Resolution now under discussion, it is difficult to see how the Council during its present session, at least, could attempt to seek a solution in any other direction.

Assuming that to be so, it would appear that the Council could do no more than it did on October 24th, namely, to reaffirm its Resolution of September 30 and place again on formal record its view as to the obligations /
On both parties.

This of course would be a confession of complete failure, not veiled even by the despatch of a Commission of Enquiry to the Far East.

It may well be that the Chinese Delegate will put into effect the threat which he has often uttered, and appeal to the Council under Article 15 of the Covenant.

Under that Article the Council must make an investigation and could decide, independently of the parties, to send out a Commission of Enquiry. It has hitherto been desired to avoid the application of Article 15 on the ground that it introduces a more menacing atmosphere. In fact, it seems difficult to see how the position is in that respect changed. Indeed, it might give a respite of six to nine months during which passion may cool. But M. Briand's own conversations with me show that he is personally anxious to keep all discussion within Article 11.

(Intld) J.S.

British Embassy,
Paris.

November 30th, 1931.