

WELLES REASSERTS AMERICANS' RIGHT TO TRADE IN CHINA

Holds Japanese Interference,
Even in Concessions of Other
Powers, Is Ruled Out

PROTEST MADE IN TIENTSIN

U.S. Citizens Suffer Loss From
Delay of Shipments and Are
Facing a Coal Famine

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Special to THE NEW YORK TIMES.
WASHINGTON, Nov. 20—The United States Government insists upon the right of American merchants freely to use the British and French Concessions at Tientsin, China, for trade without interference from the Japanese. Sumner Welles, Acting Secretary of State, asserted today. He emphasized that the general American viewpoint on the rights of Americans in China had been made clear to Japan.

This assertion, made only a few days after the British and French Governments announced the reducing of their garrisons at Tientsin and other points in China, and in the face of press reports that Japan and the Soviet Union had reached an understanding on the basis of a new commercial agreement, was regarded here as significant.

The State Department has denied emphatically that this government would protect the Franco-British concessions at Tientsin and at other points in China where this country has none, and even that the question was broached, but the insistence upon the right of American traders to use such concessions would have the practical effect of safeguarding them, according to opinions prevalent in diplomatic circles. With the British attitude toward the Open Door in China apparently weakening under the pressure of war in Europe, Mr. Welles indicated strongly that the United States still stood by such rights.

More Protests to Japanese

The Acting Secretary of State revealed that American consular officials at Tientsin had protested to Japanese authorities against "increasing" transit difficulties for American goods at the Japanese military barriers around the foreign concessions.

Mr. Welles made his remarks in reply to a question at his press conference for which he was obviously prepared, since he read from written notes in making his reply. That the matter was handled in this form was taken to indicate that the Acting Secretary did not want to go to the length of issuing a formal statement or sending a note, perhaps because of current conversations in Tokyo on joint Japanese-

American problems between United States Ambassador Joseph C. Grew and Japanese Foreign Office officials.

"The American Consul General at Tientsin, John K. Caldwell, has been reporting that difficulties of transit at the Japanese military barriers around the foreign concessions at Tientsin are increasing," Mr. Welles said in response to a question as to developments there.

"Mr. Caldwell telegraphed under date of Nov. 13 that although there have been reported only a few cases of delay to American citizens, he has received many complaints of

delays, varying from many hours to more than a day, to American goods.

"For example, the Japanese military authorities have required that loads of coal and of peanuts be dumped on the street for inspection.

"He has reported under date Nov. 16 that these transit difficulties are on the increase. An American rug manufacturer has complained that a truckload of rugs proceeding under an American pass bearing a Japanese consular visa was refused permission to pass through the barrier until the rugs had been spread out in the street. Another American had complained of difficulties in bringing food supplies into the concessions. The coal situation was becoming critical although ample supplies of coal are easily available across the river."

After reading this information from a memorandum, Mr. Welles made known that representations already had been made by American officials at Tientsin and asserted that the broad American position on China had been made clear to Japan. Asked if this government felt that American citizens had a right to carry on trade from the foreign concessions, the Acting Secretary said that it most decidedly did.

470 in Business at Tientsin

As of Jan. 1 about 470 Americans were doing business in the Tientsin area, State Department officials said subsequently. Most of these have headquarters in the British Concession.

Mr. Welles denied that there was any connection between his outline of the American position at Tientsin and with regard to trade in China in general at this moment and the press reports from Moscow that Japanese and Soviet authorities had reached a tentative accord on a new trade pact as an outgrowth of the temporary truce between the two countries on the Manchukuoan border and Outer Mongolia.

In other circles it was noted, however, that a Russian-Japanese accord, particularly if it carried with it an end of current Soviet military and supply aid for the Chinese Government, probably would have the effect of strengthening Japan's hand against American and other foreign enterprises in China.

The United States, it was also asserted in informed circles, is in a strong diplomatic trading position with regard to Japan since the 1911 American-Japanese trade pact has been denounced by this country and will therefore expire Jan. 26. The

Japanese are said to fear an American embargo, particularly because of support for such a move in the Senate.

Coal Supplies Cut Off

TIENTSIN, China, Nov. 20 (AP)—As wintry weather set in Americans presented a singular sight today as they tried to bring baskets of coal by jinrikisha and automobile into the British and French Concessions, where the Japanese blockade has caused a coal shortage.

United States Marines, unable to obtain coal for the past ten days, attempted to arrange for supplies to be brought by boat down the Hai River from Japanese coal yards that are piled high.

The blockaded British Concession, facing a growing coal shortage,

will be without light, power and water within ten days, authorities said today, unless the Japanese permit supplies to enter.

The present flow of supplies, it was said, is confined to a limited ration for hospitals and bakeries.

The American Consul was reported to have applied unsuccessfully for permits to transport coal through the barriers for use of American firms.

SHANGHAI, Nov. 20 (UP)—Nelson T. Johnson, United States Ambassa-

dor to China, conferred tonight with Admiral Thomas C. Hart, Commander in Chief of the United States Asiatic Fleet, and Clarence E. Gauss, American Consul General in Shanghai.

Mr. Johnson arrived from Chungking by way of Hong Kong aboard the steamer President Coolidge. He will visit Peiping next week before returning to Chungking.

Admiral Hart and Mr. Gauss soon will proceed to Manila, ostensibly for vacations, but it was believed that in Manila they would hold important conferences on the Far Eastern situation with Francis B. Sayre, United States High Commissioner to the Philippines.