China: Yunnan Railway 525

No. 303 (F 1960/51/10) <u>Confidential</u>

H.E. L26/4 11. 10. 18 Horses 23.10

FOREIGN OFFICE, S.W.1. 26th March, 1940. 2

My Lord Marquess,

In the course of a further conversation at this department on the 18th March, a member of the French Embassy stated that the United States Ambassador at Tokyo had now, on instructions from his Government, replied very briefly to the Japanese Government's memorandum concerning the bombing of the Yunnan railway which formed the subject of my despatch No. 277 (F 1854/51/10) of the 18th March.

2. In this reply, the United States Government stated that they could not admit that the Japanese were entitled to invoke the agreement of 1903 in order to justify their action. Nor could they admit that the Japanese Government were entitled to divest themselves of responsibility for the loss of American lives and property. The United States Government once again expressly reserved their rights.

 A copy of this despatch is being sent to His Majesty's Ambassadors at Shanghai and Tokyo.

> I am, with great truth and respect, My Lord Marquess, Your Excellency's obedient Servant,

(For the Secretary of State)

R. 9. Howe

His Excellency

The Most Honourable The Marquess of Lothian, C.H., etc., etc., etc., Washington.