

MINUTE SHEET.

Reference 9/24/39 7A

Mr. Mallet.

You will see from the attached telegram No.76 from the Foreign Office that the latter do not seem to share the view expressed in paragraph 6 of our despatch No.172 (which has, of course, not yet got to London), and are nervous lest the State Department's intimation that they "cannot acquiesce in the proposed settlement of islands which are claimed by the United States" foreshadows some attempt by the Americans to force the issue in regard to Gardner Hull and Sydney Islands in the same way as they did over Canton. In the hopes of forestalling any such action we are to tell the State Department that the various interested British authorities are actively considering the United States Government's suggestion that the whole question of the "status and use" of ^{the} ~~these~~ islands should be discussed. This, I think, marks rather a change of attitude on the part of London who have recently been aiming at having a discussion with the Americans about mutual flying facilities on the islands only and not about questions of sovereignty.

The State Department will no doubt be gratified to receive this information. They are hardly likely, however, to react favourably to the announcement that we have actually gone the length of sending a colonisation party to Gardner, Hull and Sydney, and I should be inclined to doubt the wisdom of giving them the warning about "precipitate action" suggested by the Foreign Office. I understand that the passage referred to in our note of May 23rd 1938 rather upset the State Department, and if we were now to repeat such a warning they might, I think, well reply that we had been rather precipitate ourselves in our action in respect to Gardner, Hull and Sydney Islands.

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70TH CONGRESS
 1st Session
 H. R. 2083

In this connexion please see the minute written by the Air Attaché on February 11th on the recent papers received from the Foreign Office about the question of all these islands. It has always seemed to me, knowing very little about the problem, that it ^{would} be most unfortunate to have a row with the United States, especially at the present juncture, over this question when our interests were not really conflicting. Both we and the United States want to obtain air facilities in the islands for our respective Pacific air services. The United States are also interested in establishing naval bases in some of the islands to protect themselves against the Japanese, and New Zealand, and to a lesser extent Australia, are also interested in the islands from a defence point of view - here again against the Japanese. It surely should not be impossible to reconcile these different objectives and come to some amicable agreement instead of carrying on as we are at present with each side trying to steal a march upon the other or being afraid that the other side is trying to do this.

I should have thought, however, that it would be a great mistake for us to precipitate matters by terminating Pan American Airways' landing rights in New Zealand even though we might have some legal justification for doing so. To do this would obviously be interpreted by the Americans as an attempt on our part to force them to give us landing facilities at Hawaii. No doubt our action would bring the Americans out into the open and compel them to say definitely what they did intend to do about letting us land in Hawaii but we should undoubtedly cause a lot of bad blood by acting in this way. It would, I should have thought, be much better to proceed the other way ~~around~~ and begin by making a formal application on behalf of the British

company/

-3-

company for permission to land in Hawaii. If such a request were turned down, then we should have much better grounds for cancelling the American landing rights in New Zealand. The difficulty is, however, as I understand it, that we are not yet in a position to ask for these landing rights in Hawaii; in fact, the British company which it is contemplated should eventually operate the British-Trans-Pacific Air Service has not yet been even formed and it may be months before they are in a position to make any application in respect of Hawaii. All this is very unfortunate as in the meantime it makes us look as if we were trying to put obstacles in the way of the ~~existing~~ ^{existing} interested American air services in order to make things easier for the as yet more or less hypothetical British service.

The Ambassador may perhaps return with some later information about the present intentions of the authorities in London and I understand that in any case you are proposing that action on Foreign Office telegram No.76 should be postponed until you can discuss the whole question with His Excellency. Perhaps as a result of this discussion some way out of the present vicious circle can be discovered.

H. H. H.

16.2.

I am just a little suspicious that the U.S.G. may be planning precipitate action, although Mr. H. H. H. gave me quite the other impression. I see that the President yesterday read Edison (asst. Secy of Navy) Judge Moore and

and Admiral Byrd the explorer.
They may have been plotting
something.

The F.O. have advanced a
step in this del. They are now
prepared to envisage a conference
as proposed by the U.S. Gov.
which would certainly entail a
discussion of Hull and probably
Christmas Island. Our best
knowledge of the F.O. position is
given in minutes on 9/16/29 in
which it is said that we are
prepared to go to arbitration over
Christmas I. and, in the
last resort only, to share Hull I
with the U.S. If we go into
a conference we shall almost
certainly have to agree to five
facilities on Hull similar to
what we are offered on Canton.
I don't see that this matters
so long as only civil aviation
is considered. The point
we must bear in mind is
what would happen if we
were involved in a war and
the U.S. were neutral. We
should

This seems
to be
Sullivan
V.G.

Should probably want to use
Hull and joint ownership with
a neutral Power would be
embarrassing. It would really
suit us better to propose as
a conference ^{the sovereignty over} to give Canton
and Enderbury to the U.S. and
keep Hull & Christmas for
ourselves. This would not
prevent us from entering
into an agreement to share
Civil aviation rights in both
cases, and provision could
be made for this in any
general agreement for Pacific
flying.

On the General subject
I agree with Mr. Kuttar's
minute. In fact we have a
Company formed and ready
to operate the Pacific route
it is a mistake to be "definitely" ^{manager}
w. Officer U.S. V.G.
Vash
17/2

H.E.

P.T.O. [OVER]

Please let me have the memo. to
take down to Judge Moose. 9/27

R.C.L.
Feb. 15