

proposal which he had just made. Its terms struck him (Mr. Chamberlain) as admirable. The only suggestion which he would make would be that in (iv) the wording should be "by sounding the United States, Japanese and Chinese Governments etc.".

The great obstacle in the path was of course the situation in Manchukuo. It was almost an insoluble problem, yet it was so great a source of danger for the future that it would have to be tackled. If a solution could be found during the forthcoming negotiations that alone would be a fine piece of work.

It was no good shutting one's eyes to the fact that Manchukuo would not go back to China. The only question was how to reach a settlement without damaging the prestige of the League of Nations. In one way or another it would be necessary to persuade China to recognise the establishment of Manchukuo as a separate state. The Chinese were a practical people at bottom and in the end he believed they would admit the inevitable. They would only give their recognition, however, provided that they were given a reliable guarantee that this was the end of Japanese aggression. They would never agree if there were any fear of Manchukuo being used as a jumping off ground for further incursions south of the Great Wall.

The Pact ought to be one of non-interference as well as non-aggression. Interference was a usual means of beginning trouble in the Far East. He thought, however, that this was covered by Mr. Lyons' phrase "respect for each other's sovereignty".

To sum up, the Pact would be of little use unless it included the mainland. On the question of procedure, Mr. Lyons' suggestion would meet the case admirably with a mention of the addition of the Chinese Government under (iv). The