Government intend to move in the near future, Mr. Welles informed His Majesty's Ambassador that in the event of Japan embarking on hostilities either north or south, the United States Government would immediately apply all the urgent pressure that they could command. When asked what action the United States Government would take if, without resorting to hostilities, Japan denounced neutrality pact with Russia, Mr. Welles said it would depend on circumstances whether the United States Government would let the Japanese know confidentially that they would apply economic pressure in the event of Japan resorting to hostilities, or whether the United States Government would immediately apply such pressure. They would certainly do one or the other. Ends.

1294. 592-40

Le secrétaire aux Dominions au secrétaire d'État aux Affaires extérieures Dominions Secretary to Secretary of State for External Affairs

Telegram Circular M.141

London, July 8, 1941

MOST SECRET. Following for your Prime Minister. Begins. My telegram, July 5th Circular M.136, paragraph 2. According to Director of United States Naval Intelligence, it is the considered opinion of the Naval Department that Japan will make a decisive move in about two weeks. This opinion is a result of the following indications:

- (a) At meeting at Tokyo yesterday held by the Emperor, heads of Navy and Army were present as well as Cabinet Ministers. Uniform was worn, the Emperor himself wearing naval uniform. This is reported as a very rare event;
- (b) From authoritative sources at New York, it is learnt that instructions were given on July 1st to all Japanese ships on the east coast of America to leave the Atlantic, starting July 16th, via the Panama Canal on a schedule of one ship *per diem*;
- (c) Madame Chiang Kai-shek told Mr. Currey¹ that Chiang Kai-shek had word that Japan will attack Russia within two weeks.
- 2. It is further rumoured from Los Angeles that Japanese ships there are under orders to sail.
- 3. Navy Department consider there is no indication as to whether Japanese Fleet will move north or south, but that it is disposed so as to do either.

¹ Il s'agit probablement de Lauchlin Currie, chef de la mission économique américaine en Chine, 1941.

¹ Presumably Lauchlin Currie, head of U.S. economic mission to China, 1941.