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to do before anything in the nature of an Anglo-American trade agreement was in sight. In the circumstances any question of extending it must inevitably be remote. There was no reason, however, why trade and economic matters which affected Japan and ourselves should not be discussed <u>pari passu</u> with any discussion of political problems. I had the impression that the Ambassador's main object in raising this question at the present time was to ensure that the Japanese Government might not suddenly be presented with a fully drafted Pacific Pact and asked to sign it. I therefore gave His Excellency the assurance that no such procedure was in contemplation.

Finally the Ambassador remarked that he had some little time ago received from the Japanese Government certain proposals for the betterment of Anglo-Japanese relations. He had wished to make certain changes in the texts and had submitted his amendments to Tokio. These were now being considered by the new Government and he hoped to receive a reply in the near future."

The second item of news was a telegram received yesterday from the Charge d'Affaires in Tokio, which read as follows:-

"At a reception for Heads of Missions this afternoon Minister for Foreign Affairs informed me that an understanding with United Kingdom was the most important work which new Japanese Government had to perform. This had been his ambition when he was Minister for Foreign Affairs in 1935 but when he became Prime Minister he had not enough time to

