

delivered to the British Embassy on the sixteenth instant. While it is understood that this vessel is not regarded as a British vessel for the reason which His Majesty's Government has stated, reference may be made to the practice of the vessel as showing the conditions with which the American Government is required to deal. The vessel did not come within the three mile limit but she made her arrangements for the carriage of her illicit cargo to the shore of the United States in violation of its laws and as the Court found while the unloading was begun outside the three mile limit it was continued within the territorial waters of the United States and the vessel was engaged contrary to the laws of the United States in introducing her cargo of intoxicating liquors within the commerce of the United States.

This Government has already expressed the hope that the British Government will interpose no obstacles in such cases to the enforcement of the laws of the United States but it is believed that an appropriate agreement which would not injure *bona fide* trade but would facilitate the enforcement of the laws of the United States in preventing the smuggling of liquor would remove occasions for misunderstanding and eliminate the serious friction to which the memorandum under consideration refers.

It may confidently be asserted that there would be no disposition on the part of the American authorities and the special agreement would not justify any attempt to seize a British vessel save within the limits proposed and when it was clear that the vessel concerned was directly involved in an attempt to introduce its illicit cargo into the territory of the United States. British vessels bound for the ports of the United States would encounter no additional obstacles to their trade, and vessels destined for foreign ports which happened to pass on legitimate errands within twelve miles of the American Coast would suffer no inconvenience, while such vessels as were engaged in the unlawful conduct above described would not be able to create difficulties between the two countries, much less serious friction, by attempts to secure immunity for their operations by invoking the protection of the British flag.

Although the Government of the United States regards the proposed agreement as an appropriate setting forth of the proposal, it would cordially welcome the co-operation of the British Government in moulding the form of an arrangement which would reasonably serve a purpose which it is firmly believed may be found to be common to both countries.

[Washington,] July 19, 1923

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Le chargé d'affaires aux États-Unis au Gouverneur général
Chargé d'Affaires in United States to Governor General

DESPATCH 357

Washington, September 19, 1923

CONFIDENTIAL

My Lord,

With reference to Your Excellency's telegram No. 59A of the 15th instant, regarding the importation of liquor into the Yukon Territory, I have the