

expressed the hope that to assist the British Government as well as our own in the present difficult situation, they would not only accept what the government had done without criticism but make known to others likely to raise any question, the inwardness of the situation.

I explained our action in seeking to have the press maintain a discreet silence, etc.

Later, Dr. Robertson joined the conference, and at my request traversed the situation as it had been represented to him by the Japanese Minister. Dr. Robertson's statement was on all fours with my own to the members. With the exception of Howard Green, all present accepted the situation in an understanding way. Neil was inclined, at the outset, to have no faith in what the Japanese would do with respect to subsequent demands; was inclined to think it was unwise to give in [to] one demand when it would be immediately followed by others. When I explained all we were doing was limited to orders that already had been placed, he acquiesced in what the government was doing.

McInnis was quite outspoken in his support of the government. McGeer, very outspoken. Howard Green thought it was a sign of weakness to give in at all. I explained that the matter was a *fait accompli*; that the government would take responsibility for that. All I was asking was an understanding of the government's action because of the international situation being as critical as it is. Green finally accepted meeting the Japanese on the order placed for wheat: 70,000 tons in all, but said he would have to reserve his right to oppose exportation of any wood. It was explained by Chambers, who was present in uniform, that the wood was owned by a Japanese Company; that they were simply cutting it for themselves. Green wanted all this stopped. It was explained that would certainly create a situation; that if they were denied the right to sell to others, a very serious situation would certainly arise.

I was questioned as to our being satisfied that the commodities were not going to the enemy or being used for the manufacture of explosives. I stated that the matter had been looked into by our Chargé d'Affaires representative in Japan, and that we were satisfied on that score.

The argument that seemed to weigh most with all and to be conclusive was that Britain did not wish us to embarrass the situation with Japan and wished us to proceed along the lines we had proceeded on. I emphasized the fact that the British Ambassador had made clear the views of Britain on that score.

The other question discussed was that of a Greek ship obtaining scrap iron which has been held up for some time. I pointed out that the question of the sailing of the ship was regulated by the Shipping Company in England. That they had held up her sailing for a time but were now agreeable to it. Also that the iron was not from Canada, it had been purchased in the States.