

meetings, and upon them we were unanimous. The object of our discussions was to find a method combining all these three factors in a policy which would remove the danger of heavy naval expenditure in the Pacific, with all the evils which such an expenditure entails, and would ensure the development of all legitimate national interests of the Far East.

"We had, in the first place, to ascertain our exact position with regard to the Anglo-Japanese Agreement. There had been much doubt as to whether the notification to the League of Nations made last July constituted a denunciation of the Agreement in the sense of clause 6. If it did, it would have been necessary to decide upon some interim measure regarding the Agreement pending fuller discussions with the other Pacific Powers, and negotiations with this object in view were, in point of fact, already in progress. If, on the other hand, it did not, the Agreement would remain in force until denounced, whether by Japan or by ourselves, and would not be actually determined until twelve months from the date when notice of denunciation was given. The Japanese Government took the view that no notice of denunciation had yet been given. This view was shared by the Secretary of State for Foreign Affairs; but, as considerable doubt existed, we decided, after a preliminary discussion in the Imperial Cabinet, to refer the question to the Lord Chancellor, who considered it with the Law Officers of the Crown, and held that no notice of denunciation had yet been given.

"It follows that the Anglo-Japanese Agreement remains in force unless it is denounced, and will lapse only at the expiration of twelve months from the time when notice of denunciation is given. It is, however, the desire of both the British Empire and Japan that the Agreement should be brought into complete harmony with the Covenant of the League of Nations, and that wherever the Covenant and the Agreement are inconsistent the terms of the Covenant shall prevail. Notice to this effect has now been given to the League.

"The broader discussion of Far Eastern and Pacific policy to which we then turned showed general agreement on the main lines of the course which the Imperial Cabinet desired to pursue. I have already explained that the first principle of our policy was friendly co-operation with the United States: We are all convinced that upon this, more than any single factor, depends the peace and well-being of the world. We also desire, as I have stated, to maintain our close friendship and co-operation with Japan. The greatest merit of that valuable friendship is that it harmonizes the influence and activities of the two greatest Asiatic Powers, and thus constitutes an essential safeguard to the well-being of the British Empire and peace of the East. We also aim at preserving the open door in China and at giving the Chinese people every opportunity of peaceful progress and development.

"In addition to these considerations, we desire to safeguard our own vital interests in the Pacific, and to preclude any competition in naval armaments between the Pacific Powers. All the representatives of the Empire agreed that our standpoint on these questions should be communicated with complete frankness to the United States, Japan, and China, with the object of securing an exchange of views which might lead to more formal discussion and conference. The Secretary of State for Foreign Affairs accordingly held conversations last week with the American and Japanese Ambassadors and the Chinese Minister, at which he communicated to them the views of the Imperial Cabinet, and asked in turn for the views of their respective Governments. He expressed at these conversations a very strong hope that this exchange of views might, if their Governments shared our desire in that respect, pave the way for a conference on the problems of the Pacific and the Far East.

"The views of the President of the United States were made public by the American Government this morning. It is known to the House. Mr. Harding has taken the momentous step of inviting the Powers to a conference on the limitation of armaments, to be held in Washington in the near future, and he also suggests a preliminary meeting on Pacific and Far Eastern questions between the Powers most directly interested in the peace and welfare of that great region, which is assuming the first importance in international affairs. I need not say that we welcome with the utmost pleasure