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DETERMINED TO BE AN ADMINISTRATIVE MARKING
E.O. 12065, Section 6-102
By AI NARS, Date 2-21-96

DEPARTMENT OF STATE

Assistant Secretary of State
SEP 24 1936
MR. SAYRE

DIVISION OF FAR EASTERN AFFAIRS

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DEPARTMENT OF STATE
1936 SEP 30 PM 4

CONVERSATION: September 24, 1936.

Mr. C. A. Thompson and
Mr. F. D. Tracy of the
Standard-Vacuum Oil Company, New York.

Mr. Sayre;
Mr. Baker, American Minister to Siam;
Mr. Hornbeck;
Mr. Ward and
Mr. Turner.

Copy sent to Bangkok

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DIVISION OF
COMMUNICATIONS AND RECORDS
FAR EASTERN AFFAIRS
SEP 25 1936
Department of State

842.5211

Subject: Acquisition by Americans of land in Siam.

September 29 1936

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Mr. Thompson stated that his Company had for some time been endeavoring to acquire title to properties in Siam, but had thus far been unable to obtain the requisite permission from the Siamese Government. Previous to the revolution of 1932 the acquisition of land by the Company had followed a simple procedure: the King would approve applications by Americans to acquire land under a law promulgated during the Fourth Reign, which came into force in 1856, specifying the limits within which and conditions under which aliens were permitted to buy lands. However, since 1932 the Siamese Government does not approve such applications. Mr. Thompson stated that the matter was of particular importance to his Company because of the fact that it was frequently necessary for the Company in the conduct of its business to accept mortgages on land. If the Company were unable to acquire title to such land the mortgages would be of doubtful value.

Mr. Thompson

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Mr. Thompson stated that under the Fourth Reign Law aliens were permitted to buy land in Siam only within a distance of twenty-four hours journey "by boat" from Bangkok. While it was important for the Company to establish its right to own land within that area, it was far more important to the Company that it acquire the right to own land in the remote sections of Siam where the Company had no little investment.

Mr. Thompson stated that his Company had gone to considerable trouble to effect changes in the laws of Delaware and other States in order to permit aliens, including Siamese, the right to own land in such States. He inquired whether, in view of the rights granted to Siamese and other aliens in this country, it would not be possible to persuade the Siamese Government to enact legislation granting similar rights to American citizens, and whether the American Minister in Siam could not urge the Siamese Government to take definite and prompt action.

Mr. Thompson stated that he had been informed that Mr. Baker, the American Minister in Bangkok, had returned to this country with a draft of a proposed treaty between the United States and Siam. He inquired if it would not be possible to incorporate in such treaty a clause providing for reciprocal land ownership.

Mr. Sayre stated in reply that the matter of ownership of land by Americans in Siam had engaged the attention of the

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the American Government for some time, and that while the matter of a treaty had been discussed between Siamese and American officials from time to time no definite steps in that direction had been taken. He stated that in view of the traditional rights of the States of the Union to legislate in regard to land ownership it would be impracticable to attempt to incorporate provisions concerning land ownership in any treaty with a foreign country. He stated that it might be possible to take some action along the line of the suggestion that the Siamese Government be urged to enact legislation permitting Americans specifically to own land throughout Siam.

Mr. Turner called the attention of Mr. Thompson to the fact that the Siamese Government had intimated that American citizens would be permitted to exercise the right of ownership of land under the Law of the Fourth Reign provided that official evidence be furnished that Siamese subjects were entitled to hold land in the United States. He stated that information in regard to the laws concerning the right of Siamese to own land in the several States had been compiled, and that under date of August 22, 1936, the American Legation in Bangkok had been instructed to inform the Siamese Government accordingly. He stated that it appeared advisable to await the reply of the Siamese Government before taking any further steps.

Mr. Thompson stated that he, of course, had not been aware that this information had been supplied to the Siamese Government

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Government, but that in any event the rights accruing to American citizens under the Law of the Fourth Reign would be confined to ownership of land within twenty-four hours by boat from Bangkok, and that important interests of the Company in outlying areas would not be benefitted.

Mr. Ward stated that in view of the limitations imposed on ownership of land by Siamese in certain States of the Union, this Government would hardly be warranted in suggesting to the Siamese Government that legislation be enacted providing for ownership of land in Siam by American citizens. He suggested that it might be more feasible to endeavor to have the Siamese Government interpret in a liberal manner the provision of the Law of the Fourth Reign concerning a twenty-four hour journey by boat. A journey of twenty-four hours by airplane or flying boat would easily comprise the entire Kingdom of Siam. Such an interpretation of the Law would be desirable in that it would require no new legislation; and in that it could be taken by administrative action without approval of the Siamese Legislature and without the accompanying publicity which would certainly be directed toward the American Exclusion Act and anti-alien land laws.

Mr. Sayre stated that, in his opinion, further action should await the reply by the Siamese Government to the American Legation's note supplying information in regard to

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to land laws in this country. He assured Mr. Thompson that this Government would continue to use its efforts to acquire for American citizens all the rights and immunities accruing to other nationals in Siam. He stated that it appeared likely that the Siamese Government was inclined to link the question of ownership of land in Siam by Americans with the matter of treaty revision and that it might withhold the desired action in regard to land ownership until suitable quid pro quos had been obtained.

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September 29 1936

CONFIDENTIAL

No. 152

To the American Chargé d'Affaires ad interim,
Bangkok.

The Secretary of State refers to the Department's instruction No. 148 of August 22, 1936, and to previous correspondence between the Department and the Legation on the subject of land tenure by Americans in Siam, and encloses a copy of a memorandum of conversation between officers of the Department and representatives of the Standard-Vacuum Oil Company in regard to this subject.

Enclosure:
Memorandum of conversation,
September 24, 1936.

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