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

REPRODUCED AT THE NATIONAL ARCHIVES

SOLICITOR'S OFFICE
DEC 16 1921
DEPARTMENT OF STATE

Bangkok, October 29, 1921.

Serial No. - 169-

DIVISION OF
EASTERN AFFAIRS,
DEC 15 1921
Department of State.

INDEX BUREAU
FILED
JUN 23 1923

To The Honorable

The Secretary of State,

Washington, D. C.

Sir:-

Adverting to my Despatch No. 167 of October 28, 1921, and to the situation as regards the assumption of mortgage rights by American citizens or by American corporations defined therein, I now have the honor to transmit, herewith, for the consideration of the Department, copies of informal correspondence with the Foreign Office in this regard.

The Department will recall that in my Despatch of above date, I reported that the Minister for Foreign Affairs

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Affairs had not seen objection to the proposed assumption of such rights by American interests. My enquiry had been introduced casually into a long conversation comprising several other subjects, and the details of my proposal were not at that time questioned by Prince Devawongse. In view of the very brevity of our discussion upon the subject, I deemed it well shortly thereafter to confirm, informally, in writing

1/- my understanding of the tenour of his views. Meantime, owing to a brief intimation from Prince Devawongse that cases involving land tenure or mortgage rights under the Treaty would be referred by other Departments of the Government in every instance for decision by the Foreign Office, I deemed it well to notify to the local representative of the Standard Oil Company of New York the desire that each mortgage, proposed or assumed, be recorded at the Legation. The subject might then be included within the purview of the Legation's diplomatic correspondence.

2/- I have received an informal reply from Prince Devawongse, who emphasizes the point, not however referred to during the previous interview, that each case of the character as it arises should first be referred to the Ministry for Foreign Affairs to be dealt with on its merits rather than be decided upon any principle which may involve any modification of the Treaty. To

3/- this communication, I have responded with an appropriate acknowledgement of the expression of views by Prince Devawongse.

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In comment upon the attitude of the Foreign Office in the matter, I would point out that by the procedure specified American citizens will be obliged to follow a routine in filing applications for mortgage rights and land tenure not required upon the part of British or Danish subjects, engaged in commercial pursuits in Siam. Although there is a general assurance that fair treatment will be accorded to Americans, there is not a corresponding rule or understanding that the rights in question will ordinarily accrue to Americans: in other words, each case will be dealt with separately upon its own merits. While it is true that at present the atmosphere is very pro-American, it is conceivably possible that a change of policy might be inaugurated at the Ministry for Foreign Affairs. In such event, American trade enterprise would exist only upon sufferance. The situation which now obtains is not therefore without its disadvantages.

~~CONFIDENTIAL~~.

I venture to add that the assumption of full jurisdiction by the Foreign Office in cases of such land-ownership difficulties is, in view of the ambiguity of the Treaty, of a p r e s e n t general advantage to American interests. The Foreign Office is in the main both friendly to the United States and impartial towards considerations of the commercial activities of other nations in this country. The Department is perhaps aware, in the connection, that the Siamese Law

Registry

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Registry is controlled by Advisers of European nationality.

I have the honor to be, Sir,

Your obedient servant,

Curtis Williams

Enclosures:-

1. Mr. Williams to Prince Devawongse, of October 25, 1921.
2. Prince Devawongse to Mr. Williams, of October 27, 1921.
3. Mr. Williams to Prince Devawongse, of October 29, 1921.

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Enclosure No.-1- in Despatch No.-169- dated October 29, 1921.

COPY

AMERICAN LEGATION

Bangkok, October 25, 1921.

Dear Prince Devawongse:-

Adverting briefly to my enquiry of the twenty-first instant, I believe it is of interest to you that I have now replied to the enquiry addressed to the Legation in respect of the assumption of mortgage rights by an American corporation. I have stated, in consonance with the general tenour of our conversation, that there does not at present appear objection to the taking up of a mortgage, insofar as it is,

"incident to, or necessary for trade",

within the terms of Article I., of the Treaty of December 16, 1920. Informally, however, I have expressed my reluctance to indicate at this time a more definite course of policy with regard to the general subject.

His Royal Highness
Prince Somdetchkromphya Devawongse,
etc., etc., etc.,
The Foreign Office,
Bangkok.

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Enclosure 2 in Despatch No. 169 dated October 29, 1921.

I venture to hope that such expression of opinion is in thorough accord with your views in the connection.

FOREIGN OFFICE
Bangkok, 27th October 1921.

Yours very respectfully,

CURTIS WILLIAMS.

I beg to acknowledge the receipt of your letter of the 25th instant in which, with reference to our recent interview on the subject, you were good enough to inform me that you have now replied to the enquiry addressed to your Legation in respect of the assumption of mortgage rights by an American corporation, by stating that there does not at present appear objection to the taking up of a mortgage in so far as it is "incident to, or necessary for trade", within the terms of Article I of the Treaty of December 16, 1920. You also added that, informally, you had expressed reluctance to indicate at this time a more definite course of policy with regard to the general subject, and ventured to hope that such expression of opinion is in thorough accord with my views in the connection.

In reply, I beg to inform you that while your answer to the enquiry quoted above fairly represents the tenour of our conversation on the subject, it has missed the important point which I had impressed upon you at that interview, namely, that each as it arises should first be referred to the Ministry for Foreign Affairs to be dealt with on its own merits rather than be decided upon any principle which may involve any modification of the Treaty. You will also recollect that I assured you that in such events His Majesty's Government will always endeavour to avoid any measure which would cause grievance

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Curtis Williams,
American Chargé d'Affaires,
Bangkok.

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Enclosure No.-2- in Despatch No.-169- dated October 29, 1921.

to American Legation, Bangkok.

COPY

Foreign Office,
Bangkok, 27th October 1921.

(Signed) DEVAWONGSE.

Dear Mr. Williams,

I beg to acknowledge the receipt of your letter of the 25th instant in which, with reference to our recent interview on the subject, you were good enough to inform me that you have now replied to the enquiry addressed to your Legation in respect of the assumption of mortgage rights by an American corporation, by stating that there does not at present appear objection to the taking up of a mortgage in so far as it is "incident to, or necessary for trade", within the terms of Article 1 of the Treaty of December 16, 1920. You also added that, informally, you had expressed reluctance to indicate at this time a more definite course of policy with regard to the general subject, and ventured to hope that such expression of opinion is in thorough accord with my views in the connection.

In reply, I beg to inform you that while your answer to the enquiry quoted above fairly represents the tenour of our conversation on the subject, it has missed the important point which I had impressed upon you at that interview, namely, that each as it arises should first be referred to the Ministry for Foreign Affairs to be dealt with on its own merits rather than be decided upon any principle which may involve any modification of the Treaty. You will also recollect that I assured you that in such events His Majesty's Government will always endeavour to avoid any measure which would cause grievance

Curtis Williams,
merican Charge d'Affaires,
Bankok.

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Enclosure No. 1 to Despatch No. 169 dated October 29, 1921.

to American citizens in this country.

Yours Sincerely,

AMERICAN LEGATION

October 29, 1921.

(Signed) DEVAWONGSE.

Dear Prince Devawongse,

I am grateful for your letter of the twenty-seventh instant, in the course of which you were good enough to point out that in the event of enquiry by American citizens, or by American corporations, in respect of the contemplation of mortgage rights, each case as it arises should first be referred to the Ministry for Foreign Affairs to be dealt with in its own merits rather than be decided upon any principle which may involved any modification of the Treaty.

In point of fact, I had already taken note of

His Royal Highness

Prince Kromphya Devawongse,

etc., etc., etc.,

The Foreign Office,

Bangkok.

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Enclosure No.-3- in Despatch No.-169- dated October 29, 1921.

COPY

AMERICAN LEGATION,

October 29, 1921.

Dear Prince Devawongse:-

I am grateful for your letter of the twenty-seventh instant, in the course of which you were good enough to point out that in the event of enquiry by American citizens, or by American corporations, in respect of the assumption of mortgage rights, each case as it arises should first be referred to the Ministry for Foreign Affairs to be dealt with in its own merits rather than be decided upon any principle which may in volved any modification of the Treaty.

In point of fact, I had already taken note of your views in the matter, and had notified to the American corporation in question that the proposed assumption of mortgage rights should be recorded at the legation, without delay. The procedure indicated would then have involved the submission of the particular instance to the Foreign Office, for consideration and for such action as might be deemed appropriate.

In view of the present nature of your reply I am happy to have placed myself in fullest accord with your views in the matter.

I venture at this time respectfully to add how the generous assurances which you so courteously expressed could hardly be considered as other than unnecessary in the light of the happy friendship existing between our countries.

Yours very respectfully,

CURTIS WILBARGER.

His Royal Highness
Prince Kromphya Devawongse,
etc., etc., etc.,
The Foreign Office,
Bangkok.

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of your wishes in this regard, and had notified to the American corporation in question my desire that each proposed assumption of mortgage rights should be recorded at the Legation, without delay. The procedure intended would then have involved the submission of the particular instance to the Foreign Office, for consideration and for such action as might be deemed appropriate. In view of the present nature of your reply, I am happy to have placed myself in fullest accord with your views in the matter.

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I venture at this time respectfully to add that the generous assurances which you so courteously expressed could hardly be considered as other than unnecessary in the light of the happy friendship existing between our countries.

The Honorable

Washington, D. C.

Adverting to my Despatch No. 167 of October [illegible] situation as regards the assumption of mortgage rights by American citizens, by American corporations defined therein, I now have the honor to transmit, herewith, for the consideration of the Department, copies of informal correspondence with the Foreign Office in this regard.

Yours very respectfully,

CURTIS WILLIAMS.

-863/711-

The Department will recall that in my Despatch of above date, I reported that the Minister for Foreign Affairs