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By WBP NARA Date 5/1/96

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14118

May 38

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

14447

THE
AMERICA
18, 1938.

July 12, 1938.

Desp. No. 6 of despatch
JWB

LEGAL ADVISER
JUL 27 1938
DEPARTMENT OF STATE

Bangkok's despatch No. 186, Political Report for May.

In this report attention is invited to the following facts:

1. In regard to a report that the recently concluded treaty with Great Britain was more favorable in respect of land ownership in Siam than that with Japan, the Foreign Minister insisted publicly that Siam's new treaties gave landholding privileges to no foreigners, it being the fixed policy of the Siamese Government to treat all foreign nations alike;

2. During the month of May a number of prominent Chinese visited Bangkok and, according to press reports, the China-Siam Society has been active during the past few months in promoting friendly relations between the two countries;

3. According to press reports the French Colonial Ministry has asked the Government General in Indo-China to increase its military establishment by 20,000 men. The reasons for the re-

quested

OFFICE OF THE ADVISER ON
INTERNATIONAL ECONOMIC AFFAIRS
JUL 27 1938
DEPARTMENT OF STATE

892.00 P.R./110

Sir:

1/ From: I have the honor to transmit herewith the Political Report of the Legation for the month of May 1938.

Respectfully yours,

Edwin L. Neville
American Minister

A-M/C
RECORDING DESK
C.B.M.
ASSISTANT SECRETARY OF STATE
JUL 28 1938

Edwin L. Neville
American Minister

American Legation
Bangkok, Siam

Enclosure:

1. As stated.

Date of acquisition: June 18, 1938.

Date of mailing: (air mail): June 21, 1938.

800-SIAM
ELN/tse

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JUL 28 1938

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Authority State Letter 11/72
By MJP NARA Date 5/1/96

14447

THE
AMERICA
8, 1938.

quested increase would appear to be apprehension in the face of the Japanese invasion of China and the development of Siamese defense forces, as well as fear of an irredentist movement in Siam in so far as the Laos tribes along the Mekong River are concerned.

4. The recent British protests in articles appearing in the Siamese army and navy magazines will be recalled. With reference to articles appearing in these publications, a Siamese newspaper (the City Star) aptly remarked that articles appearing in those publications should be confined to technical matters for the reason that "handing a pen to a soldier is like handing a gun to an inexperienced woman".

5. Of interest is the fact that, according to the Siamese press, political parties - which have been banned since the revolution of 1932 - will be recognized in the near future and that three parties to be known as Right, Center and Left will be organized.

6. Notwithstanding the Chinese boycott in Siam of Japanese goods, Japanese exports find their way into Siam to a

large

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JUL 27 1938
DEPARTMENT OF STATE

OFFICE OF THE ADVISER ON
INTERNATIONAL ECONOMIC AFFAIRS
JUL 27 1938
DEPARTMENT OF STATE

892.00 P.R./110

Sir:

1/ From: I have the honor to transmit herewith the Political Report of the Legation for the month of May 1938.

Respectfully yours,

Edwin L. Neville
American Minister

Enclosure:

1. As stated.

Edwin L. Neville
American Minister

Date of completion: June 14, 1938.

Date of mailing: (air mail): June 21, 1938.

800-SIAM
ELN/tse

A-M/C
SCREENING DESK
C.B.M.
ASSISTANT TO THE SECRETARY OF STATE
JUL 28 1938

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JUL 28 1938

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DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

THE
AMERICA
18, 1938.

large extent through intermediate ports, such as Singapore.

7. The Minister for Foreign Affairs stated confidentially that the Siamese Government was seriously considering the growing of opium in Siam as one method of combatting the illicit traffic. (pp. 6 and 11).

8. The press reported the delivery of seven sea planes and a gunboat, ordered in Japan, and the completion of four small submarines which had also been contracted for in Japan.

LEGAL ADVISER
JUL 27 1938
DEPARTMENT OF STATE

OFFICE OF THE ADVISER ON
INTERNATIONAL ECONOMIC AFFAIRS
JUL 27 1938
DEPARTMENT OF STATE

892.00 P.R./110

FE:Spencer:VCI

Sir:

1/ From: I have the honor to transmit herewith the Political Report of the Legation for the month of May 1938.

Respectfully yours,

Edwin L. Neville
American Minister

Edwin L. Neville
American Minister

Enclosure:

1. As stated.

Date of completion: June 16, 1938.

Date of mailing: (air mail): June 21, 1938.

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ELN/tse

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ASSISTANT SECRETARY
M/S
ACCORDING DESK
C.B.M.

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LEGATION OF THE
UNITED STATES OF AMERICA
Bangkok, June 18, 1938.

LEGAL ADVISER
JUL 27 1938
DEPARTMENT OF STATE

DIVISION OF
COMMUNICATIONS
AND RECORDS

No. 186

Subject: Political Report for May.

BY AIR MAIL

DIVISION OF
EUROPEAN AFFAIRS
JUL 27 1938
DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS
JUL 6 1938

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Excerpt TREASURY
COMMERCE
ONI/EMI

JUL 22 1938

OFFICE OF THE ADVISER ON
INTERNATIONAL ECONOMIC AFFAIRS
JUL 27 1938
DEPARTMENT OF STATE

The Honorable

The Secretary of State,

Washington.

Sir:

1/ I have the honor to transmit herewith the Political Report of the Legation for the month of May 1938.

From:

Respectfully yours,

Edwin L. Neville
American Minister

Edwin L. Neville
American Minister

American Legation
Bangkok, Siam

Enclosure:

1. As stated.

Date of completion: June 18, 1938.

Date of mailing: (air mail): June 21, 1938.

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ROUTING DESK
C.B.M.
JUL 1 1938
ASSISTANT SECRETARY
OF STATE

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By MJP NARA Date 5/1/96

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No. 85

POLITICAL REPORT

MAY 1938

From: Edwin L. Neville

Edwin L. Neville
American Minister

American Legation

Bangkok, Siam

Date of completion: June 18, 1938.

Date of mailing: (air mail): June 21, 1938.

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Bangkok Monthly Political Report, May 1938

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Chinese

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I. POLITICAL RELATIONS WITH THE UNITED STATES.

(Nothing to report.)

II. POLITICAL RELATIONS WITH OTHER COUNTRIES.

Treaty Situation

Ratifications of the new treaty between Siam and Italy were exchanged on May 17, (see despatch no. 167 of May 25, 1938). The new treaty does not differ in substance from those concluded with other Powers, and calls for no special comment.

In the April Political Report there appeared the substance of an article in the London Daily Telegraph in which the Minister of Foreign Affairs was quoted as stating that Great Britain's treaty was more favorable in respect of land ownership in Siam than that of Japan.

The article annoyed the Minister of Foreign Affairs, who claimed he had been misquoted, and insisted publicly that Siam's new treaties gave landholding privileges to no foreigners, as it is the fixed policy of the Siamese Government to treat all foreign nations alike.

Visit of Japanese Naval vessels

On May 18 two Japanese Naval training ships, the former cruisers Iwate and Yakumo arrived on a visit to Bangkok (see despatch no. 171 of June 1, 1938). The ships were cordially received and the officer in command, Rear Admiral Takasu, I.J.N., expressed himself as delighted by the manner in which the ships and their personnel were welcomed. The total complement was stated to be about one thousand officers and men, including several hundred Naval cadets. The ships left May 26, and upon their departure, the Rear Admiral and the officers made gifts amounting to 1,500 ticals to hospitals under the direction of the Ministry of Defence.

Chinese

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Chinese Visitors to Siam

During the month under review a number of prominent Chinese visited Bangkok. It is difficult to estimate the position which these men occupy in China, as Siam and China have no treaty relations, and there is no Chinese Legation to present visitors of prominence to the Siamese authorities. According to press accounts, however, the China-Siam Society has been active in the past few months in promoting good relations, the exact scope of which is not very clear. It appears, however, that at least one local Chinese has been arrested by the police for soliciting war funds, and another has been arraigned for murder in connection with the boycott of Japanese goods.

Relations with Indo-China

According to press reports, the French Colonial Ministry has asked the Government General in Indo-China to increase its military establishment by 20,000. The reason given is that the French Government is apprehensive of the situation in China, which may soon be over run by the Japanese and it is felt that there should be a larger army in Indo-China than there is at present.

Assuming the truth of the report, there would seem to be a measure of truth in the explanation as well, but it is probably not the whole truth. For some time there has been evidence of uneasiness in French military circles at the growth of Siamese nationalism and the development of Siamese defence forces. Apparently articles on this subject have appeared in the French press, and alarmist views have been aired in public by former members of the French Colonial service.

A perusal

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A perusal of such of these lucubrations as are available at second hand here leads to the belief that the French are afraid of what may be termed an "irridenta" problem, as the Laos, who inhabit the region along the Mekong River to the east and northeast of Siam, are allied to the Siamese in race and language, and although there has been no political affiliation between them, at least in historic times, the doctrine that racial affiliations should determine political affiliations seems to be making headway in the Far East as well as elsewhere. This, added to the Siamese political and military development of the past few years, may well be the determining factor in the French decision, if decision it is, to increase the Colonial Army in Indo-China.

III.

Siamese politics

Siamese [illegible] political parties [illegible] and that three parties [illegible], to be known as Right, Center and Left.

More

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III. INTERNAL POLITICAL ACTIVITIES.

Reaction to articles published in military magazines

The Ministry of Defence promotes the publication of two magazines, one military and the other naval (see despatches nos. 103-107 of March 10 and April 9, 1938), articles in which have sometimes caused comment. It is interesting to note that at least one Siamese paper (the CITY STAR) commented on articles appearing in these papers to the effect that their contents should be confined to technical articles, because, "handing a pen to a soldier is like handing a gun to an inexperienced woman". The article urges stricter control over the magazines by the proper authorities.

Election contest

Considerable interest has been aroused in Bangkok by a court decision invalidating the election to the Assembly of a local candidate, Arun Thong-Patijoti by name, who is now facing a criminal trial for his alleged violation of the election law. Nothing daunted by the court decision, he has offered himself as a candidate in the new election, and the papers are discussing the possible developments. Elections being a relatively new feature of Siamese political life, there are no precedents. Apparently there is no legal method of preventing his running for office under the circumstances, although he faces the penalty of losing his electoral rights.

Political Parties

Siamese Press accounts state that political parties will be recognized in the near future, and that three parties will be organized, to be known as Right, Center and Left.

There

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There has, however, been no announcement by the Government on this subject. Political parties are not legal in Siam at the present time.

Release of Political Prisoners

Press accounts state that some sixty political prisoners will be released in the near future, and that they were sent to the Ministry of Defence to undergo civic training prior to their discharge. The last action of this kind took place in March of this year. (See Political Report from this Legation for that month). The press accounts state that after the release of this batch, there will remain only 49 political prisoners in custody. Apparently the Government now feels secure enough to enlarge the scope of amnesty.

IV.

The Minister stated that the new amount of the poll tax accruing to the Government was estimated to be Ticals 4,000,000 for this fiscal year.

The Minister stated that 191 more opium smoking establishments had licenses in the past fiscal year than had been the case two years before. He said that the Government had no intention of encouraging opium smoking, but the permits were issued to avoid the purchase of illicit opium by addicts, and he confirmed to press there was a big increase of addiction. (In this connection see Bangkok No. 137 (Confidential) of May 18, 1938.)

In reply to complaints that much money was leaving the country through remittances by foreigners, the Minister stated that restrictions on exchange would affect the country's trade, and would also affect adversely international confidence in the country's financial stability.

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IV. COURSE OF LEGISLATION.

The Assembly was not in session this month.

V. GOVERNMENT FINANCE.

Treasury Balance

The Ministry of Finance announced that at the end of March, the Treasury balances were as follows:

	Amount	Compared with previous month
In Siam	Ticals 20,188,509	Ticals 2,067,858
Abroad	Ticals 35,886,582	Ticals 8,401,719

Replies by the Minister of Finance to questions

The Official Gazette contained answers by the Minister of Finance to questions asked in the Assembly, during its session, as follows:

The Minister stated that the net amount of the poll tax accruing to the Government was estimated to be Ticals 6,800,000 for this fiscal year.

The Minister stated that 191 more opium smoking establishments were licensed in the past fiscal year than had been the case two years before. He said that the Government has no intention of encouraging opium smoking, but the permits were issued to avoid the purchase of illicit opium by addicts, and were confined to areas where there was a high percentage of addiction. (In this connection see despatch no. 157 (Confidential) of May 18, 1938.)

In reply to complaints that much money was leaving the country through remittances by foreigners, the Minister stated that restrictions on exchange would affect the country's trade, and would also affect adversely international confidence in the country's financial stability.

He

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He added that efforts of other countries to restrict exchange were not productive of happy results.

Taxation plans

Press reports state that the Ministry of Finance have under advisement comprehensive plans for tax revision. No details are available, but it is predicted that legislation to this end will be introduced into the Assembly at its next session.

VI.

The largest item on the import side is "General Merchandise" which amounted to Straits 7,301,057 in April of this year, against Straits 9,609,870 in April 1937. Detailed figures are not yet available to show the countries of origin of these imports or the items which make up the total. However, it is possible to make an estimate of the countries of origin. The entrepot trade of Singapore in Chinese goods, real or faked, is reported to be on the decline, at least, Chinese importers handle Japanese products. Also, it seems likely that a considerable part of the Japanese goods on the Chinese market find their way there through intermediate ports like Singapore. The fact seems to be that there has been a general improvement in the exchange trade of Siam in the past few months. Siamese exports are flour, rice and the Siamese manufacturing industries do not import such goods from abroad, while the import trade of the Chinese also does not seem to show any improvement, except locally, for the Chinese do not trade with Japan at this time.

Anti-Japanese boycott

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VI. GENERAL ECONOMIC AND FINANCIAL CONDITIONS

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Trade of the Port of Bangkok

According to the Customs Monthly Return, imports and exports at Bangkok, during April 1938, compared with similar figures for 1937, were as follows:

	April 1938	April 1937
Imports Total	Ticals 8,212,019	7,928,116
Exports Total	Ticals 11,458,987	8,445,492

The increased exports are due to an improvement in the demand abroad for Siamese rice, the export of which amounted to Ticals 9,503,292 in April 1938, against Ticals 5,281,281 in April 1937.

The largest item on the import side is "General Merchandise" which amounted to Ticals 7,901,057 in April of this year, against Ticals 7,609,203 in April 1937. Detailed figures are not yet available to show the countries of origin of these imports nor the items which make up the total. Accordingly it is impossible to make an estimate of the amount of Japanese imports. The Chinese mercantile community continue to boycott Japanese goods, but it is stated that Indian and to some extent, at least, Siamese importers handle Japanese products. Also, it seems likely that a good deal of the Japanese goods on the Siamese market find their way here through intermediate ports like Singapore. The fact seems to be that there has been a general improvement in the overseas trade of Siam in the past few weeks; rice exports are flourishing and the Siamese consequently are able to import more goods from abroad, with the result that the boycott activities of the Chinese element do not have the importance, economically, for the Siamese public that they had some months ago.

Anti-Japanese Boycott

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Anti-Japanese Boycott

No new developments, other than those noted in the preceding paragraph, have come to light since the last political report.

VII. ACTIVITIES OF AMERICAN COMMERCIAL INTERESTS.

Nothing to report.

VIII. ACTIVITIES OF FOREIGN COMMERCIAL INTERESTS

Nothing to report.

IX. IMMIGRATION AND LABOR MATTERS

Chinese Refugees

According to such information as is available, the influx of Chinese refugees continues. There are, however, no developments that affect comments on this subject in previous political reports from this Mission.

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K. MISCELLANEOUS

Elephant Round-up

The event which attracted great attention in Siam during the month was the elephant hunt, or round-up, at the town of Lopburi, about a hundred miles north of Bangkok. The affair was spread, with intermission, over some ten days, from May 12 to May 22, and was under the general direction of the Minister of Defence.

The elephants were driven into a large enclosure from the jungle, in some cases from distances amounting to a hundred miles or more. Once inside, teams of drivers were told off by lot, to rope the wild elephants and prizes were given to the teams which were considered most skilful. The lots were drawn by the wife of the Minister of Defence, the wife of the French Minister and the wife of the American Minister. It happened that the team drawn by the wife of the American Minister was headed by a rather picturesque old driver who attracted public attention and won second prize. This circumstance apparently was considered news by one of the American news agencies and a distorted news was circulated to the effect that the wife of the American Minister to Siam had won an elephant roping contest.

This elephant hunt attracted wide attention and was visited by several thousand people, many of whom came from abroad, as the affair was advertised as an attraction by several travel agents. It was the first event of the kind for some thirty years, and was, at one time, the only method employed for recruiting elephants for beasts of burden. With the advent of the railways and the development of motor transport, the use of elephants has fallen off until now they are employed practically only in the forests, where

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the timber companies have domesticated herds whose natural increase is sufficient to provide such animals as are needed.

It is understood that at the close of the hunt the captured elephants were turned loose in the jungle.

Opium

The smuggling of opium continues to cause the Government serious difficulties, and the press contains numerous items concerning the seizure of opium and the activities of illicit vendors of the drug. A previous paragraph of this report contained a statement by the Minister of Finance on the subject of licenses to opium dens and the prevalence of illicit dealers. The Minister of Foreign Affairs stated confidentially that the Siamese Government was seriously considering the growing of opium in Siam as one method of combatting the illicit traffic. (Despatch 157 of May 18, 1938).

War equipment purchased in Japan

The press reported the arrival in Siam of a total of seven sea planes which had been ordered in Japan by the Siamese Navy, the delivery of a gunboat and the completion of four small submarines which had been contracted for in Japan.

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Note: The present value of the baht (or tical), the Siamese unit of currency, is approximately $0.46.

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Despatches forwarded by the American Legation at Bangkok to the Department of State during May 1938.

Number	Date	Subject
146	May 2	Change of Gardeners
147	" 2	Kra Canal
148	" 3	Nonimmigrant visas
149	" 3	Acceptance of Tenders for Supply of Bogies
150	" 5	Request of Siamese Government for futher information regarding Pacific Mercado
151	" 6	Nonparticipation of Siamese Government in Convention of Military Surgeons
152	" 6	Allowance for drainage of Legation klongs and construction of driveway entrances
153	" 12	Initials on correspondence
154	" 17	Siamese Family Registration Act B.E. 2487
155 C.O.*	" 17	New publication, Siamese Customs Tariff Guide
156	" 17	Siamese Official designated in connection with Repression of Trade in White Women
157	" 18	Opium: Possible Cultivation in Siam (Conf.)
158 C.O.	" 19	Information regarding Mayer & Co., supplementary to World Trade Report
159	" 20	Inforcement and operation of the Metric System in Siam
160	" 19	Political Report for April
161	" 20	Promotion of Foreign Employees in Diplomatic Missions and Consular Offices
162	" 23	Request for special allowance to improve Legation offices
163 C.O.	" 23	Nonimmigrant 3(1) visas issued, week of May 14-21
164	" 23	Suggested allowance for connection of two Legation klongs
165	" 24	Destruction of superseded Diplomatic Passport of E.L. Neville
166 C.O.	" 24	Tender forms for supply of rails and accessories
167	" 25	Italian-Siamese Treaty
168	" 25	Nonparticipation of Siamese Government in World's Poultry Congress and Exposition
169	" 28	Confidential - Siamese Silver, sale of
170	" 28	Renewal of subscription to the New York Times

*Combined Office despatch.

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Telegrams forwarded by the American Legation at Bangkok to the Department of State during May 1938.

Number	Date	Subject
11	May 6 - 2 pm	Bids for rewiring of Consulate and trussing of roof
12	May 28 - 1 pm	Confidential - Sale of Siamese Silver