REPRODUCED AT THE NATIONAL ARCHIVES

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

DEPARTMENT OF STATE
RECEIVED
SEP 28 1936
DIVISION OF COMMUNICATIONS AND RECORDS

Assistant Secretary of State
SEP 24 1936
MR. SAYRE

Division of FAR EASTERN AFFAIRS
SEP 28 1936
Department of State

DEPARTMENT OF STATE

DIVISION OF FAR EASTERN AFFAIRS

September 24, 1936.

Memorandum in regard to acquisition of land by Americans in Siam.

892.5211/91

The conference with representatives of the Standard-Vacuum Oil Company to be held on September 24 is apparently for the purpose of discussing the general question of ownership of land in Siam by Americans, and the particular question of the acquisition of title to certain parcels of land in and near Bangkok by the Standard-Vacuum Oil Company.

Previous to the inauguration of the present constitutional regime in Siam, American citizens appear to have encountered little difficulty in acquiring title to land in Siam, despite the fact that there is no specific treaty provision in regard to land ownership. Article I of the Treaty of 1920 between the United States and Siam reads as follows:

> "The citizens or subjects of each of the High Contracting Parties shall have liberty to enter, travel and reside in the territories of the other, to carry on trade, wholesale and retail, to engage in religious, educational and charitable work, to own or lease and occupy houses, manufactories, warehouses and shops, to employ agents of their choice, to lease land for residential, commercial, religious and charitable purposes and for use as cemeteries, and generally to do anything incident to or necessary for trade upon the same terms as native citizens or subjects, submitting themselves to the laws and regulations there established."

The

FILED
SEP 28 1936
F/FG

REPRODUCED AT THE NATIONAL ARCHIVES

DETERMINED TO BE AN ADMINISTRATIVE MARKING
E.O. 12065, Section 6-102
By AI NARS, Date 2-21-91

The Standard-Vacuum Oil Company has been trying since 1933 to acquire title on plots of land in Siam some of which, it appears, are registered in the name of the Standard Oil Company of New York, while others are registered in the names of employees of the Company who have given the Standard-Vacuum Oil Company deeds of trust. The question of the rights of American citizens to acquire land in Siam has also come up in connection with mortgage securities which the Standard-Vacuum Oil Company has accepted.

The Standard-Vacuum Oil Company, through the American Legation in Bangkok, has repeatedly petitioned the Siamese Government to permit it to acquire title to these lands. The attitude of the Siamese Government is set forth in a note dated February 7, 1935, addressed by the State Councillor for Foreign Affairs to the American Minister from which the following is quoted:

> "It was the policy of His Majesty's Government under the old regime to grant, as a matter of courtesy, applications for Americans to acquire land in Siam, although under the Treaty the only right granted is a right to lease land for certain purposes and to own buildings for certain purposes. That policy was possible under the old regime, because His Majesty's decision had the force of law in itself. Under that policy, therefore, it was not necessary for His Majesty's Government to make a legal decision with regard to the rights of Americans to own land either under the provisions of the Treaty or under the provisions of the national Laws.
>
> "The situation in Siam has been fundamentally changed by the adoption of the Constitution and the former policy can no longer be continued. This

change

REPRODUCED AT THE NATIONAL ARCHIVES

DETER... TO BE AN ADMINIS...RIVE MARKING E.O. 12065, Section 6-102 By AI NARS, Date 2-21-91

change in policy is not due to any change in the attitude of His Majesty's Government towards the Government of the United States or towards American nationals residing in Siam. It is the inevitable result of the distribution of powers under the Constitution. The legislative power now resides in the Assembly of the People's Representatives, and that body alone has the right or authority to make legal provisions exempting any individual or class of individuals from the application of any national law. Accordingly, the executive branch of His Majesty's Government must decide each question that may arise concerning the ownership of land by an American solely by the provisions of the national law and the provisions of the Treaty. As you are aware, the Treaty, although somewhat vague in its terms, gives no rights to Americans to own land in Siam. There is, however, still in force in Siam a Law promulgated during the Fourth Reign, which came into force in 1856, specifying the limits within which and conditions under which aliens, including Americans, are permitted to buy or lease lands. The pertinent provisions of this Law are as follows:

"(1) Aliens who have resided 10 years in Siam may both purchase or lease land within the City of Bangkok and within a radius of 200 sens from the City Wall. The only condition other than period of residence is that the seller should first apply to the Minister and receive his consent.

"(2) Aliens without regard to the period of residence may buy or lease land in the area outside the 200 sens radius from the City Wall and within a distance of 24 hours journey by boat. The only condition is that the land owner who desires to sell or lease land must inform the District Officer so that he in turn may inform the proper officials and the Governor in order that they may witness the deed or lease. This area is specifically described in the Act as follows: (Omitted)

"* * *

"The question now arises whether or not Americans may exercise these limited rights under the old Land Law, or whether they can only exercise such rights as are given by the Treaty.

"His

REPRODUCED AT THE NATIONAL ARCHIVES

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

"His Majesty's Government is disposed to hold that Americans may exercise such rights as are given by the Royal Decree of the Fourth Reign, provided official evidence can be furnished that Siamese subjects are entitled to hold land in certain States of America according to the local laws."

While American citizens appear to be clearly entitled to lease lands in Siam for the purposes enumerated in Article I of the Treaty of 1920, above quoted, upon the same terms as Siamese subjects, the Treaty does not confer on American citizens the right to own land in Siam. Accordingly, there is no legal basis for demanding such a right on behalf of citizens of the United States.

With reference to the expression of desire of the Siamese Government to have official evidence that Siamese subjects are entitled to hold land in the United States, on August 22, 1936, the Department instructed the Legation at Bangkok to inform the Siamese Government that ownership of land in the United States is a matter to be determined by the law of the particular State in which the property is situated. Contained in this instruction is a list of the States classified according to the privileges accorded to aliens ineligible to citizenship in the matter of land ownership.

It is the view of the officers of the Department that the very substantial rights granted by most of the States of the Union to Siamese subjects in the matter of land ownership should provide reasonable basis for a claim on the part of this Government to reciprocal treatment by Siam to be accorded to American citizens in Siam.

FE:WTT/DLY