

John Wiley Papers
Box 3
Diplomatic Files: Estonia, Latvia
1938-1941 Dispatches from Riga

No. 109

Riga, December 10, 1938

Subject: Latvian-German relations.

~~STRICTLY CONFIDENTIAL~~

The Honorable
The Secretary of State,
Washington.

Sir:

In confirmation of my telegram No. 105 of
December 9, 10 p.m., I have the honor to report that
Mme. Munters, wife of the Minister for Foreign Affairs,^a
received a message yesterday morning from a "friend"
in the Foreign Office to the effect that serious trouble
was brewing for both herself and her husband, that the
German

^a M. Munters is now on an official visit in London.

- 2 -

German Government was formulating demands for M. Munters removal from office. Mme. Munters was in a state of considerable excitement and it was difficult to elicit an entirely coherent story. She accused herself of being responsible for having placed her husband in his present difficult position.

Mme. Munters has, indeed, been very outspoken in her attitude towards Germany and the German minority in Latvia. Shortly after my arrival in Latvia both M. Munters and his wife went out of their way to suggest to my wife and me that many diplomatic representatives in Latvia had prejudiced their position by cultivating social contact with Balts.*

Yesterday in Mme. Munters' mood of self-blame she volunteered the information that on two different occasions Dr. Eckhard von Seback, the German Minister, had come to her to appeal for better treatment of local Balts, urging that they be included in official and other entertainments. She said that she had replied to his representations in a vigorous and negative manner. She referred to the disloyal attitude of the Baltic Germans to the Latvian Government and told him that she would under no circumstances invite them to official functions and that, moreover, if she and her husband were invited to any functions in the

German

* I am told that when my predecessor, The Honorable Arthur Bliss Lane, took leave of President Ulmanis the latter warmly expressed his appreciation of the fact that during Mr. Lane's sojourn in Riga he had never had a single Balt in his house.

- 3 -

German Legation or any other diplomatic mission in Riga where Baltic Germans totalled more than half of the Latvians who were present, she would leave at once. Since the anti-Semitic excesses in Germany, Mme. Munters has neglected no occasion publicly to voice her disapproval.

Mme. Munters added that when her husband became Minister for Foreign Affairs she asked President Ulmanis what attitude she should adopt in respect of Germans. She said that the President gave her full freedom of action. He assured her that she could count on his entire support. In conclusion Mme. Munters vehemently stated that Latvians would now show Germany who were the rulers in their country.

During my recent visit to Tallinn, M. Selters, the Minister for Foreign Affairs, as well as other high officials of the Estonian Foreign Office, discussed Latvian-German relations and the position of M. Munters. The consensus was that Latvian policy had been unnecessarily provocative and that it had been a mistake to give the German minority legitimate cause for complaint. With regard to M. Munters personally, it was suggested that his German ancestry had made him vulnerable to suspicion and opposition on the part of influential elements in Latvia, chiefly the Army. As protective coloration he had, in consequence, exaggerated in endeavoring to demonstrate his Latvian nationalism and in following an
anti-German

* Local Germans refer to him as a "renegade Balt".

- 4 -

anti-German policy. I asked M. Selters if he had heard recent rumors that M. Munters would be replaced as Minister for Foreign Affairs. M. Selters replied in the affirmative. He stated that when he was in Riga for the 20th Anniversary of Latvian Independence, November 18 last, he had made careful inquiries and had been glad to learn that there seemed to be no prospect of M. Munters being replaced. I was unable to elicit any explanation of the seeming paradox in M. Selters' remarks, namely his apparent disapproval of M. Munters' policy and his desire that M. Munters should remain in office.

It was suggested to me in Tallinn that M. Munters' official journey to London was perhaps an untimely and tasteless move at this moment. The fact that the German Government appears to have chosen this moment to demand his dismissal would seem to indicate that the German Government perhaps shares this view.

M. Munters' activities in England have been featured in the Latvian press in such a way as to give considerable, if not exaggerated, importance to his mission. The press has reported at length his visits to the Vickers-Armstrong works, to air and submarine bases; and the fact that in addition to his conversations with Mr. Chamberlain, Lord Halifax and other high officials of the Government, he had conferred with Sir Thomas Inskip and Mr. Hoare-Belisha. In other words a curious emphasis has been placed on armaments, with a suggestion of conversations
of

- 5 -

of a military nature. Trade problems are, of course, the ostensible and presumably the real object of his voyage.

I have already reported (by despatch No. 6 of October 8, 1936) that the recall of Dr. von Schaek, more elegant than dynamic, and the accrediting of a new German Minister to Latvia has been interpreted as forecasting a strengthening of German policy in Latvia. Shortly before the recent anniversary of Latvian independence Dr. von Schaek was asked by the Latvian Government whether he would accept at that time a Latvian decoration as a farewell distinction. Dr. von Schaek replied that he did not desire to receive a farewell decoration so soon, since he would not leave until after the turn of the year. Dr. von Schaek, however, unexpectedly took final leave of his post on December 2, which would indicate that his departure had been expedited by orders of his government. So far there is no indication with regard to the arrival of his successor, Dr. von Kotze (?). It would therefore appear as though Dr. von Schaek had been withdrawn as a gesture to accompany German intervention for the removal of M. Munters. It has been suggested in this connection that the new German Minister will not arrive until the Munters question has been liquidated in a manner satisfactory to the Reich.

According

- 6 -

According to the Estonian Foreign Office, the resignation of M. Holsti, the Finnish Minister for Foreign Affairs, responded to German pressure. It is rumored in Riga that the recent resignation of M. Lozoraitis as Minister for Foreign Affairs of Lithuania was also due to Germany.^a If M. Munters falls victim to similar interference in the domestic affairs of the Baltic States it would appear to indicate not only an active but a significant development of German policy, and establish a precedent susceptible to further development.

Since about 1931 German pressure to the East has been substantially relaxed. Its full force was diverted to the South. There is, as yet, no indication that German pressure is being relaxed in the Balkans; indeed, the contrary is the case, but there appears to be serious reason to suppose that from now on the German pressure will again be applied Eastward, to Poland and the Baltic States; presumably to complete the encirclement of the Soviet Union. In this connection great interest is centered both in Riga and Tallinn in recent propaganda manifestations emanating from Berlin with regard to the question of an independent Ukraine. Local press comment

this

^a The Latvian Foreign Office attributes his resignation to a difference of opinion with M. Kirshas, the Prime Minister, in respect of the latter's desire for a Polish orientation.

- 7 -

this morning on the action of the Ukrainian deputies in Warsaw in formulating demands for an autonomous Galicia attributes this initiative to foreign inspiration; Germany, of course, being clearly meant.

In connection with the foregoing I venture to invite the Department's attention to my previous despatch No. 106 of December 10, 1938, which contained inter alia a brief review of critical comment on M. Munters and Latvian policy as contained in the German-language press of Riga. In the past these newspapers have been carefully controlled by the Latvian authorities, who seemed determined to prevent the RIGASCHE POST and the RIGASCHE RUNDSCHAU from being employed as organs of German propaganda. Indeed, the local authorities showed no hesitation in imposing prompt and substantial fines for non-observance of Latvian wishes in the matter. Since Munich there has been a significant change. The German-language press seems to show a new independence and considerable indifference with regard to steps, if any, which the Latvian Government might desire to take for their control.

In a conversation with a Foreign Office official today, a member of my staff was informed that the local German-language press has recently - and particularly since September - been definitely more pro-Nazi in tone and has perhaps been more outspoken in its displeasure with regard to the status of the local German-Balt community than was earlier the case. It was stated further
that

- 8 -

that the local German-language press has also been extremely critical recently of England and Mr. Eden, and to some extent of the United States, and as a result the Minister of Public Relations, M. Alfreds Bērziņš, has informed M. Mensenkampff, Chief Editor of the RIGASCHE RUNDSCHAU, that unless his newspaper was less critical of foreign governments retaliatory measures would be taken. The Foreign Office official felt it was possible that M. Mensenkampff was endeavoring to provoke repressive measures by the government with a view to arousing sympathy abroad for the local German-Balt element. In the official's view M. Mensenkampff is himself not very ardently pro-Nazi but is obliged to carry out orders from Berlin.

During the last week of November there took place in Riga a convention of the German-Baltic community in Latvia, which received considerable publicity in both the POST and RUNDSCHAU. Significance may be attached to the words of one Dr. Erhardt Kröger, who said "to nobody, whoever he may be, do we accord the right to discriminate between Germans and Germans;^a we are all simply Germans irrespective of every situation or calling. How we may want to shape the internal organization of our national group is our own business and nobody else's. As a self-contained national group we are always prepared to meet
and

^a Namely the distinction between Balts and German citizens which corresponds to official Latvian policy.

- 9 -

and to cooperate loyally with any one who offers to join hands with us for this purpose; but we know today that there is no power on earth that could erase us from the history of this country or for that matter from its future."^a

The Lettish daily RITS, after quoting the above statement as well as others which were published by the RIGASCHE POST, commented that during the entire course of the convention the name of Latvia was not mentioned, nor was the Latvian national anthem sung.

An element of interest in the present situation is the factor of Latvian stubbornness. It is not at all clear that President Ulmanis will gently acquiesce in demands for M. Munters' removal or relax his attitude in respect of the Baltic-German minority.^b

In the event of continued Latvian "intransigence" it would not be far-fetched to foresee that the German Government may adopt firm measures; a German-Latvian crisis may be added to existing alarms and perplexities. It may be that the German Government regards the present
weakness

^a RIGASCHE RUNDSCHAU of November 28, 1938.
^b The official journal VALDIBAS VESTNESIS announced as late as December 8 that a German national minority society had been dissolved by the Government.

- 10 -

weakness of the Soviet regime as affording a favorable opportunity to force the Baltic States to abandon their attitude of neutrality as between Bolshevism and National Socialism.

After M. Munters' return to Riga I shall report further on the subject of German-Latvian relations.

Respectfully yours,

John C. Wiley

In quintuplicate.

Copy to Embassy, Berlin.

File No. 710 Latvia-Germany.

JCW/lmb/9

752

Riga, May 27, 1940

Subject: Anti-Semitism in Latvia.

~~STRICTLY CONFIDENTIAL~~

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to report that anti-Semitism appears to have been adopted as the policy of the Latvian Government. No official pronouncement on the subject has been made and officially the existence of such a policy is denied. In private conversation, high officials of the Government do not, however, deny that
such

- 2 -

such a policy is being pursued. In Latvia as elsewhere there has probably always been some anti-Semitism. Before 1914 there appears to have been good and mutually beneficial relations between the dominant German Baltic class and the Jewish commercial and professional community. The Latvians and the Jewish minority seem on the whole to have lived together in relative harmony. The full vigor of the present anti-Semitic drive seems to date only, curiously enough, from the recent "repatriation" of the Baltic German minority.

According to reliable information, the Government decided upon an anti-Semitic policy last September and the resignation on October 24, 1939 of Alfred Valdmanis, the Minister of Finance, was made by him as a gesture of protest.

The application of anti-Semitism in Latvia is made very easy by the administrative technique of the country. Nearly everything is permitted but only on the basis of a special permit. If a Jew wishes to establish a business, dismiss or engage employees, move his residence, transfer his business premises, or perform any of the other innumerable functions of life or business, such a permit is usually withheld without explanation. In addition, under the pretext of recruiting additional labor for the land, Jewish households are being deprived of their servants under 50 years of age. There is, moreover, discrimination against Jewish lawyers, doctors and dentists. I am informed in this connection that no Jewish lawyers have been admitted to practice since the coup d'etat on May 15, 1934.

The

- 3 -

The imposition of taxes on Jewish business is described as confiscatory and many Jewish industries are prevented from obtaining sufficient raw materials, while Latvian and state owned competitors receive ample stocks.

A leading member of the Jewish community, who belongs to an industrial family which has been established in Latvia for 200 years, is the only one who, in private conversation, has struck an optimistic note. He does not believe that anti-Semitism in Latvia will ever achieve the proportions which it has reached in Germany. As for the measures applied to the lives and property of the Jewish community, he insisted there was a saving grace in Latvia, namely, corruption; that by greasing the proper palms there was almost nothing that could not be arranged. This refuge from oppression may indeed exist but I doubt very much whether it is readily available to the Jewish community as a whole.

The leading anti-Semites are said to be President Ulmanis, the Minister for Foreign Affairs, M. Vilhelms Munters, and M. Alfreds Berzins, the Minister of Public Relations. The President, however, has close personal relations with M. Morduch Dubins, President of the Riga Hebrew Council and a former member of the defunct Latvian parliament. Through his intervention a certain alleviation has been obtained in respect of a few special cases. His influence, however, is not described as effective in respect of the President's attitude towards the situation in general.

In

- 4 -

In a subsequent despatch I shall endeavor to assemble statistical data with regard to the extent to which Jewish property interests have been affected by Latvia's "cold pogrom", as well as to give the Department an estimate of the extent to which the Jewish community has participated in the commercial, industrial and professional life of Latvia.

Respectfully yours,

John C. Wiley

(In quintuplicate)

File No. 800 Latvia

JCW/lmb

A true copy
of the signed
original. *JCW*