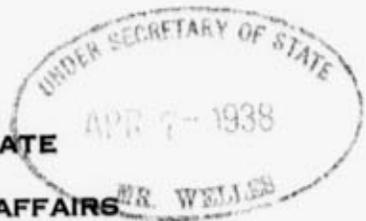


Sumner Welles Papers
Box 162 Folder 7
Europe Files 1933-1943
Great Britain Apr-Dec 1938

DEPARTMENT OF STATE
DIVISION OF EUROPEAN AFFAIRS



April 6, 1938.

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Summary and comments on the confidential information of the British Foreign Office on Rumania.

This memorandum is a generalized recapitulation of the chaotic period covered by the Goga regime and the installation of the succeeding ministry in Rumania. It is interesting to note that the British Government believed that collaboration with the Goga Government was not impossible. The attitude, however, of Foreign Minister Micescu, when the Jewish petitions were discussed, "gave reason to doubt whether this belief was justified".

The memorandum denies that King Carol dismissed the Goga Government as a result of a démarche made by the British Minister at Bucharest. (This is in contradiction to the telegram from Mr. Gunther of February 9 stating that Sir Reginald Hoare, the British Minister in Rumania, informed him that he ~~had~~ instructions similar, but milder, to those of the French Minister "to protest the apparent trend of the Rumanian Government towards Berlin and away from traditional alliances". The British emphasis, Sir Reginald stated,

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was principally on the Jewish question and minorities). The Foreign Office memorandum ignores these instructions to the British Minister in Bucharest, stating that the precise reasons for the dismissal of M. Goga remain "shrouded in obscurity".

With respect to the Government presided over by Patriarch Cristea, it is presumed by the Foreign Office that it will pursue approximately the same policy as its predecessor, but more gradually. Anti-Semitism is probably too strong in the country to permit the repeal of existing measures, and it can therefore only be hoped that these measures will be applied in moderation. As regards foreign policy, there is strong evidence that King Carol will strengthen the ties between Bucharest and London.

The last paragraph, perhaps the most interesting, states that the King is determined not to allow the Iron Guard to run the country. However, the Iron Guard's ideals have a strong hold, and in view of the increased strength of the movement "this fundamental antagonism makes one feel that the possibility of a revolution at some date cannot be excluded".

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In connection with this last statement the Department's information has been that the relief throughout Rumania after the fall of the Government was general and that whatever the King might do to counteract the disastrous measures of the Goga regime would meet with the real approval of the country. Therefore the constitutional dictatorship starts with the good will of the people, but, of course, the continuation of this good will will depend on the successful solution of the problems facing the Government.

PM

Cz
Eu:Coe:AMR.

~~Confidential.~~

Recent Developments of the Political Situation
in Roumania.

On February 10 the National Christian Government under M. Goga resigned after a period of 45 days in office. At the December elections it had obtained less than 10% of the votes polled and it is believed that M. Goga was called to power by King Carol solely in order to counteract the growing influence of the extremist Iron Guard.

Among its internal measures the Goga Government had included a number of anti-Semitic measures, some of which it had already enacted. When these measures were first announced His Majesty's Minister at Bucharest was instructed to remind the Government of the interest which His Majesty's Government had always taken in the Minorities Treaty and in the minorities procedure generally. Similar instructions were sent to the French Minister at Bucharest. Several petitions were presented to the League of Nations by Jewish organisations and are at present under consideration.

As regards foreign policy, while it had declared its intention to maintain old friendships, the Goga Government had also proclaimed its sympathy with the totalitarian Powers. Its arrival to power was welcomed by Germany and Italy.

His Majesty's Government were disposed from the outset to believe that collaboration with the Goga Government would not be impossible. Assurances had been given that foreign policy, which would remain under the personal direction of the King

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would be unchanged. The attitude of the late Foreign Minister, however, when the Jewish petitions were discussed with him by Mr. Eden and M. Delbos at Geneva and the manner in which he misrepresented those discussions to the public on his return to Bucharest gave reason to doubt whether this belief was justified. Nevertheless the views of His Majesty's Government as to the serious situation which might arise if the Roumanians were unreasonable in the matter of the petitions and showed a disposition to ignore their treaty obligations were expressed with reserve and in terms more moderate than those employed by the French Government.

The policy of the late Government caused considerable disturbance in public confidence and the financial position of the country was adversely affected. M. Goga, who had little ability as a leader and whose colleagues were of widely differing sentiments and calibre, had to compete not only with those saner elements which realised the folly of his policy but with the Iron Guard extremists who had sworn enmity to the Government. The shooting of two members of the Iron Guard on February 6th, apparently by the Police, may well have given rise to the fear that a period of violence was about to begin.

The immediate cause of M. Goga's resignation is not yet known for certain, but there is little doubt that he was dismissed by King Carol on his own initiative. It is widely held in Roumania and also in certain quarters here and in France that a démarche said to have been made to King Carol by His Majesty's Minister at Bucharest was responsible for the King's decision. It is alleged that Sir R. Hoare gave His Majesty to understand that the Royal visit which was fixed for March 22 could not take place if the situation continued to develop on present lines. There is no truth in this allegation. Nevertheless it is not too much to suppose that King Carol realised, as according to His Majesty's Minister M. Micescu certainly did, that some drastic change was necessary. The situation developed with amazing rapidity between February 8th when the King granted an audience to M. Bratianu and received a memorial from M. Maniu and February 10th when after His Majesty had received M. Maniu, M. Vaida Voevode and other party leaders it was announced that M. Goga's Government had resigned. The precise reasons which decided His Majesty to act with the same haste in dismissing M. Goga as in calling him to power in December remain shrouded in obscurity.

A new Government was formed on the night of February 10 under the leadership of the Greek Orthodox Patriarch. It contains all the Prime Ministers since 1918 except M. Maniu and M. Goga and representatives of all parties except the Iron Guard, the National Christians, the National Peasant and Radical

Peasant parties (i.e. extreme Right and the Left). It at once announced that Roumania's traditional foreign policy would be continued and that relations with all countries without distinction but particularly with her neighbours would be founded within the framework of the League of Nations and of existing alliances and friendships. The King issued a proclamation stating that in view of the harm caused by excesses in electoral propaganda he had formed a Government of men who, freed from party cares, would devote their whole time to the public good, and adding that the Government would proceed with the necessary constitutional changes. After a Cabinet Council presided over by the King on February 12 a communiqué was published announcing certain measures to be taken for promoting public order and security and it was stated that the constitution would be revised. A decree law suspending the elections is being issued.

So far as is at present known the new Government will pursue approximately the same policy as its predecessor but will proceed more gradually. It has for example mitigated to some extent the rigours of M. Goga's Decree Law for the Revision of Civic Rights by extending the period in which persons whose rights are called in question are required to produce the necessary documents; and it is expected that further extensions will be granted in the future. Nevertheless anti-Semitism is probably too strong in the country to allow of the repeal of existing measures especially so long as the Patriarch is President of the Council, and it can therefore only be hoped that the present Government will be able to moderate their application.

The Roumanian Minister in London has suggested that in his opinion this might be possible. As regards foreign policy the Government's communiqué can be taken at its face value. There is moreover strong evidence for believing that King Carol will work for a closing of ties between Bucharest and London. The survival of the Government of which it is thought that the Patriarch is only a temporary head introduced to increase the appearance of unity, will no doubt depend largely on the reactions of the country to the new Constitution of which M. Maniu has already published a vigorous denunciation. The Constitution will be put to the vote by plebiscite on February 24th.

In brief the future is anything but clear. For the moment the King holds all the reins in his own hands. He is determined not to allow the country to be run by the Iron Guard; but the things for which the Iron Guard stand have a strong hold and in view of the recent increase in the strength of the movement this fundamental antagonism makes one feel that the possibility of a revolution at some date cannot be excluded.

FOREIGN OFFICE.

February 21st, 1938.

DEPARTMENT OF STATE

*Memorandum of Conversation*DATE:
November 17, 1938

SUBJECT: German refugee situation

PARTICIPANTS: Sir Ronald Lindsay, the British Ambassador;
Under Secretary

COPIES TO: S, A-M, A-B, Eu

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The British Ambassador called to see me this morning. Sir Ronald Lindsay stated that he came with a formal communication from his Government in connection with the refugee question. He said that the British Government desired the Government of the United States to know that it would be willing to relinquish a portion of the immigration quota to which Great Britain was entitled under existing United States legislation in order that the remainder of its quota might be utilized for the purpose of permitting German refugees to enter the United States. The Ambassador said very frankly that he did not believe that this instruction had been considered by the British Cabinet or was other than a *démarche* on the part of the British Foreign Office alone and that it seemed to him in the nature of an offer by his own Government of something which the British Government did not control.

I told the Ambassador that of course this proposal would have to be laid before the President and that consequently I could only make a tentative and entirely personal reply. I said that the quotas granted by the Congress under our existing law were not the free property of the nations to whom they were granted, nor could

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the terms of the law be modified because of some other government's willingness to modify or to relinquish the quotas which might be granted to its nations by this law. I said that consequently it seemed to me that there were insuperable obstacles from the strictly legal aspect and I further thought that the Ambassador would understand that there were likewise objections from the standpoint of policy. I reminded the Ambassador that the President had officially stated once more only two days ago that there was no intention on the part of this Government to increase the quota already established for German nationals. I added that it was my very strong impression that the responsible leaders among American Jews would be the first to urge that no change in the present quota for German Jews be made.

The Ambassador seemed very much preoccupied with the message which he was instructed to communicate to this Government and asked if I really thought it necessary to bring this to the President's attention. I said that I did not see that the Secretary or I could avoid laying this matter before the President. The Ambassador said that in any event he would see to it that no publicity was given to the suggestion made.

The Ambassador then went on to say that he had been very much disturbed by newspaper reports during the past two days of plans which it was alleged Ambassador Kennedy had presented to the British Government for the solution of the refugee question. He said that he had been informed by his Foreign Office that Mr. Kennedy had had several conversations with the British authorities during recent days with regard to the refugee matter and that Mr. Kennedy had stated that Anglo-American relations would be bound to be prejudiced by this flare-up in the refugee question because of the fact that the feeling which was created in the United States against the treatment accorded Jews and Catholics in Germany would be so intense as to provoke even more vehement and widespread criticism in America against the policy of appeasement pursued by Mr. Chamberlain. The Ambassador said that he himself feared that such widespread publicity of the alleged plan presented by Mr. Kennedy would give the general impression in the United States that some rabbit was going to be produced out of a hat and that when it was subsequently found that there was no immediate and all-embracing solution found for this problem, resentment would be provoked against the British Government.

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I told the Ambassador that if Mr. Kennedy had any plan he had not reported it to us and that as a matter of fact, the only telegram we had received from Mr. Kennedy on this subject was a very brief message received this morning reporting that the British Minister of Colonies had stated that the British Government on November 21 or 22 would make some public statement as to what it was able to do with regard to the placing of refugees in territory under the sovereignty of the British Empire after consultation with the heads of the overseas dominions. I said further than that, this Government had not sent any instructions to Mr. Kennedy in the matter, nor had it instructed him to present any plan. I reminded the Ambassador that the machinery which had been set up in London as the outgrowth of the Evian Conference, namely, the Intergovernmental Committee for Refugees, on which this Government as well as the British Government and many other governments were represented, was believed by the United States to be the proper agency for the working out of plans of this character. I told the Ambassador that only yesterday the President had requested Mr. Myron Taylor, our representative on the Committee, to return as soon as possible to London in order to try and expedite the formulation of concrete and specific plans. I told the Ambassador that one of the greatest difficulties, if not the chief obstacle, in the formulation of such a plan had been the failure of the British Government so far to announce what portions of its dominions or colonies would be available for the settlement of refugees and that if such announcement or decision could only soon be made, if it proved to be of a satisfactory nature, it would undoubtedly do more than anything else to facilitate a speedy start towards the ultimate solution of the major problems.

The Ambassador said that he was quite familiar with this fact but that, of course, his Government had had just as much difficulty in convincing the British colonies and dominions of the need to agree to such plans as we ourselves would be faced with if we had to convince the authorities of the States of Nevada or Montana of the desirability of permitting part of their territory to be occupied by refugees. He stated, however, that his Government was now prepared to make a practical contribution, and he discussed with me at some length the territories which might be considered. He mentioned Northern

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Rhodesia, Kenya Colony, and British Guiana. I mentioned that I knew that Mr. Taylor had had a satisfactory conversation with Mr. Jackenzie King a little while ago but that I was not yet advised of the details of that conversation.

BRITISH EMBASSY,
WASHINGTON, D. C.

December 27th, 1938

PERSONAL

My dear Mr. Acting Secretary,

When we were talking about Palestine the other day I remember being rather surprised at your statement that the Arab population of Palestine had nearly doubled since the war. So when I got back here I had the figures looked up and found that your statement was quite correct - 1919 586,000 Moslems 1938 989,500 Moslems. But the figures bring out the fact that this increase is due to the fertility of the Arabs and the decreased death rate under the mandate and that the actual figures for Arab immigration from 1922-1937 are less than 10% of the Jewish immigrants.

I/

The Honourable

Sumner Welles,

Acting Secretary of State of the United States,

Washington, D. C.

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I think you may find the enclosed
notes of interest. I had them prepared from
the Peel and Woodhead reports.

Yours very sincerely,

Victor Kallei

Population and illegal immigration into
PALESTINE.

Woodhead report, p.23: population

Year	Moslems	Jews	Christians	Others
1919	586,000	58,000		74,000
1922	589,177	83,790	71,464	7,617
1937	875,947	386,084	109,769	11,520
1938	989,500	401,600	-	24,600

1922/37: The increase by migration is put at:-

Total: 281,339 of whom 245,433 were Jews
and 25,168 Arabs.

Illegal Arab immigration is much less than illegal Jewish immigration. The Peel Commission (p.291) shows that the former is largely seasonal, casual and temporary but figures are not available to show what permanent increase of the Arab population results. Legal Arab immigration for 1922/37 (Woodhead p.23) is only 25,168.

Illegal/

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Illegal Jewish immigration (Peel p.290) reached an officially estimated peak of 22,400 in 1932/33, though Jewish sources themselves have made even higher estimates.

The main cause of the increase in the Arab population is not so much Arabs from the desert attracted to settle by high Jewish wages. It is the very high natural increase of the Moslem population. The Woodhead report (p.31) remarks:-

"It is probably not generally realised that
"in 15 years the increase of Jewish
"population by migration was less than the
"natural increase of the Moslem population, and
"that the total increase of the Jewish population
"is still less than the total increase of Arab
"(including Christian Arab) population".

The reasons are discussed in the preceding pages of the Woodhead report.