DOKUMENTE

ZUM

DEUTSCHEN WEISSBUCH

Nr. 6

Regraded Unclassified

Sensationelle Funde an der Loire.

Die politischen Geheimakten des französischen Generalstabs erbeutet.

Amtlich wird verlautbart: Unsere Truppen haben einen grossen Fang gemacht. In dem kleinen Städtchen La Charite an der Loire erbeutete ein Nachrichtentrupp in einem halb zerstörten Zug die politischen Geheimakten des französischen Generalstabs. Die hier gefundenen Dokumente sind von solcher Bedeutung dass ihre Veröffentlichung schlechthin als die grösste Sensation dieser Art bezeichnet werden muss. Sie enthüllen mit einer geradezu beispiellosen Eindeutigkeit die zynischen Kriegsausweitungspläne Englands und Frankreichs.

Alles was man deutscherseits über diese Pläne geahnt, kombiniert und durch bisherige Aktenfunde bereits bestätigt gefunden hatte wird durch diese Dokumente in seinen grossen Zusammenhängen in geradezu erstaunlicher Weise klargelegt.

Infolge der eigenen Schwäche und aus Mangel an Einsatzbereitschaft Englands und Frankreichs sollten die kleinen Völker Europas systematisch zur Schlachtbank geführt werden. Deutschland wollte man auf zweifache Art niederzwingen. Erstens, durch Abschneiden von den schwedischen Erzgruben oder durch ihre Vernichtung. Ferner durch Vernichtung sowohl des rumänischen Oels als auch der sowjetrussischen Oelquellen von Baku und Batum. Zweitens, durch Hineinziehen Skandinaviens in den Krieg gegen Deutschland wodurch man 10 Divisionen gegen Deutschland gewinnen wollte und durch Hineinziehen von Rumänien Türkei Griechenland und Jugoslawien wodurch man etwa 100 Divisionen gegen Deutschland mobil zu machen hoffte. Dies nannte man sinnreich die Strategie der " Front Dusure" (Abnutzungsfront) gegen die deutsche Armee.

Bereits seit langem waren beide Aktionen beschlossene Sache, nur die Unfähigkeit und Entschlusslosigkeit der gegnerischen Führung und das blitzschnelle Zuschlagen der deutschen Armee hat diese Pläne vereitelt.

Mit Recht hat General Gamelin in einem aufgefundenen Schreiben von 12. Mai 1940 die strengsten Vorkehrungen für die Geheimhaltung dieser Dokumente des Generalstabes angeordnet denn "wenn eines dieser Dokumente in die Hand des Feindes fallen sollte" so würde das deutsche Oberkommando "allein schon hierdurch politische Handhaben erhalten die es gegen die Alliierten auswerten würde."

Ein wahrhaft klassisches Dokument schlechten Gewissens. Der Generalstab der Franzosen war sich im klaren über die katastrophalen Folgen die die Veröffentlichung dieser Dokumente für die englische und französische Politik haben musste.

Das Auswärtige Amt hat in seinem Weissbuch Nr 6 eine Zusammenstellung dieser Akten vorgenommen. In Anbetracht der ungeheuren

Regraded Unclassified

Bedeutung wird aber bereits heute vor Erscheinen des Weißbuches damit begonnen der Öffentlichkeit in einer fortlaufenden Folge diese Dokumente zur Kenntnis zu bringen. Ein Intrigenspiel wird hiermit aufgedeckt wie es die Welt bisher wohl kaum gesehen hat. Die Dokumente sprechen für sich selbst.

Dokument Nr 1.

Telegramm des General Weygand an General Gamelin vom 7. März 1940.

England bereitet das Bombardement der Erdölfelder von Baku und Batu vor. - Englische und französische Offiziere erkunden in Zivil als Petroleuminteressanten getarnt die notwendigen Flugplätze.

Oberkommando des Operationsgebietes Ost - Mittelmeer.

Der General. No 295 3/8. 7. März 1940. Streng vertraulich!

- Abschrift -

General Weygand an den Oberkommandierenden der Landstreitkräfte und Generalstabschef der Landesverteidigung.

Der Luftmarschall Mitchell, Kommandant der Luftwaffe des mittleren Ostens der Heute in Begleitung des Generals Jauneaud auf der Reise nach Ankara nach Beyrouth kam hat mir mitgeteilt dass er von London Anweisungen betreffend die Vorbereitungen für die etwaige Bombardierung von Baku und Batum erhalten habe. Er hat mir seine Absicht eröffnet den Marschall Cakmalk um die Erlaubnis zu bitten Flugplätze erkunden zu lassen die in den Räumen von Diabekir Erzerum Kars und des Van - Sees als Zwischenlandeplätze für Flugzeuge dienen könnten die ihre Hauptbasis in Djezireh hätten. Der Luftmarschall Mitchell hat mich um die Erlaubnis gebeten unsere Flugplätze in Djezireh auszukundschaften da die politische Lage des Irak dessen Unabhängigkeit anerkannt ist nicht gestatet die Flugplätze dieses Hoheitgebietes ohne die Gefahr von Komplikationen zu benützen. Ich beehre mich Ihnen zu berichten dass ich dem Wunsch des Luftmarschalls nachgekommen bin. Die Besichtigung wird demnächst von britischen und französischen Offizieren die beiderseits in Zivil auftreten werden durchgeführt werden. Es wird dabei der Eindruck erweckt werden dass es sich um Arbeiten betreffend die Ausbeutung der Erdölhaltigen Schichten dieses Raumes handele.

Weygand.

Regraded Unclassified

Dokument Nr 2.

Aufzeichnung des Generals Gamelin vom 10. März 1940.

Pläne der Alliierten für die Schaffung neuer Fronten in Skandinavien und auf dem Balkan.

Die Divisionen der skandinavischen und Balkanländer sollen für die Alliierten kämpfen.

No 104/1. Streng vertraulich! 10. März 1940.

Aufzeichnung über die Teilnahme französisch britischer Streitkräfte an den Operationen in Finnland.

Mit Beginn der Feindseligkeiten am 30. November 1939 zwischen Finnland und Sowjetrussland haben die französische und die britische Regierung ihren Willen zum Ausdruck gebracht durch Lieferung von Flugzeugmaterial und Waffen Finnland wirksame und rasche Hilfe zu bringen. Die ersten Materialsendungen begannen am 20. Dezember. Das französische Oberkommando hat sich seinerseits unverzüglich damit befasst die Einsicht des Marschalls Mannerheim darüber in Erfahrung zu bringen inwieweit abgesehen von freiwilligen Materialsendungen und der Entsendung die der Marschall schon gewonnen hatte französische Streitkräfte bei den Operationen eingesetzt werden könnten. Zu diesem Zweck wurde Kommandant Ganoual zu dem finnischen Generalissimus entsandt. Er reiste am 20. Dezember 1939 aus Frankreich nach Helsinki ab und kam am 20. Januar 1940 zurück.

Am 16. Januar arbeitete das französische Oberkommando an dem allgemeinen Plan einer bewaffneten Intervention in Finnland. Dieser Plan sah insbesondere die Landung alliierter Truppenkontingente in Petsamo vor. Gleichzeitig sollten gegebenenfalls vorsichtshalber die Häfen und Flugplätze der norwegischen Westküste in die Hand der Alliierten gebracht werden. Der Plan sah ausserdem vor dass auf Grund der einmal gewonnenen Ergebnisse die Operationen möglicherweise auf Schweden ausgedehnt und die Erzgruben von Gallivare der wichtigen Quelle für die Erzzufuhr nach Deutschland besetzt werden sollten. Durch diese Operation sollte gleichzeitig eine neue Verbindung über Narvik - Lulor geschaffen werden. Der Plan für die Operation bei Petsamo stimmte mit dem überein den Marschall Mannerheim dem Kommandanten Ganoval dargelegt hatte.

Bei den halbamtlichen Unterredungen mit dem britischen Oberkommando schien dieses unsere Auffassung zu teilen. Bei den interalliierten Militärbesprechungen vom 31. Januar und 1. Februar die der Sitzung des Obersten Rates vom 5. Februar vorangingen verwiesen die Engländer die Frage der unmittelbaren Hilfe für Finnland an die zweite

Regraded Unclassified

Stelle. Sie zeigten sich als entschiedene Anhänger einer Unternehmung gegen die Erzgruben Nordschwedens die wenigstens im Anfang den Übertritt eines Teiles der beteiligten Streitkräfte nach Finnland zur Nebenerscheinung haben sollte. Man verzichtete somit praktisch auf die Unternehmung gegen Petsamo. Diese hatte nur noch sekundären bezw eventual - Charakter. Diese Ansicht erlangte im Obersten Rat die Mehrheit. Die Vorbereitung der skandinavischen Expedition wurde sofort in Angriff genommen und die französisch britischen Streitkräfte standen seit den ersten Märztagen zum Transport bereit.

Die erste Gruppe der französischen Streitkräfte (eine Alpenjägerbrigade) stand am 26. Februar zum Verlassen der Garnison bereit und konnte vom 1. März an jederzeit eingeschifft werden. Für den Fall eines plötzlichen Handstreichs auf Petsamo hätte eine Vorhut schon viel früher entsandt werden können. Die Leitung der in Skandinavien beabsichtigten Operationen war dem britischen Oberkommando übertragen worden. Dies konnte anscheinend nicht anders geregelt werden. Die Beförderung des Expeditionskorps einerseits und der Nachschub andererseits mussten tatsächlich auf Verkehrswegen vor sich gehen die durch die Zone des britischen Marine Oberkommandos führten. Der Schutz dieser Transporte liegt selbstverständlich den britischen Seestreitkräften ob. Ausserdem kann die französische Marine nicht überall gleichzeitig anwesend sein. Das Mittelmeer, die Atlantikküste Frankreichs und Afrikas bleiben ihr ureigenstes Gebiet. Ganz abgesehen von der Aufgabe die ihr durch den Schutz der aus Amerika eintreffenden Geleitzüge erwächst.

Es bedarf auch der Erwähnung, dass die Teilnahme der französischen Landstreitkräfte an den norwegischen Operationen, gegenwärtig nur eine begrenzte sein kann. Das französische Heer ist gezwungen, sein Gros an der Nordostfront zu belassen, wo es dem Gros der deutschen Kräfte gegenübersteht. Das französische Heer ist ausserdem verpflichtet, an der Alpenfront und in Nordafrika die Wache gegen Italien zu halten. Das französische Heer hat ferner eine Vorhut an der Levante. Es kann daher unter den gegenwärtigen Umständen nur beschränkte Kontingente für ausserhalb dieses Bereichs liegende Kriegsschauplätze zur Verfügung stellen.

In der Luft kann Frankreich angesichts der gegenwärtigen Lage der französischen Luftwaffe nur einen beschränkten Beitrag leisten.

Die Eröffnung eines nordischen Kriegsschauplatzes bietet vom Standpunkt der Kriegsführung aus gesehen ein hervorragendes Interesse. Abgesehen von den moralischen Vorteilen wird die Blockade umfassender, vor allem aber ist es die Sperrung des Erztransportes nach Deutschland auf die es ankommt. In diesem Zusammenhang wäre ein Vorgehen auf dem Balkan, wenn es mit dem skandinavischen Unternehmen kombiniert würde,

Regraded Unclassified

geeignet, die wirtschaftliche Abdrosselung des Reiches zu verstärken. Deutschland verfügte dann nur noch über einen einzigen Ausgang aus dem Blockadering, nämlich über seine Grenze mit Sowjetrussland, wobei zu berücksichtigen ist, dass die Ausbeutung der russischen Rohstoffquellen noch langer Fristen bedarf.

Auf militärischen Gebiet wäre eine Aktion auf dem Balkan (diese Frage bleibt natürlich mit der Haltung Italiens verknüpft), für Frankreich viel vorteilhafter als eine solche in Skandinavien: Der Kriegsschauplatz würde in grossem Massstab erweitert, Jugoslawien, Rumänien Griechenland und die Türkei würden uns eine Verstärkung von ungefähr 100 Divisionen zuführen.

Hierbei ist die Frage des Erdöls nicht einmal berücksichtigt. Es wäre dabei noch an die Erdölquellen Rumäniens, die man verteidigen oder zerstören könnte und an die Transkaukasiens zu denken. Schweden und Norwegen würden uns nur eine schwache Unterstützung von ungefähr 10 Divisionen verschaffen. Die Truppen, die die Deutschen von der Westfront wegziehen müssten, um gegen unsere neuen Unternehmungen vorzugehen, würden zweifellos sich in den gleichen Proportionen bewegen.

Die Vorteile der Eröffnung eines skandinavischen Kriegsschauplatzes bleiben nichtsdestoweniger unbestreitbar. Jedoch dürften die technischen Schwierigkeiten, die ein solches Unternehmen mit sich bringt, nicht verkannt werden.

Auf dem Gebiet der Seekriegsführung sind Operationen in der Ostsee für uns praktisch ausgeschlossen. Unsere Verbindung geht über die Nordsee von Schottland nach Norwegen. Diese Verbindungslinie ist wesentlich länger als die der Deutschen zwischen Stettin und der Südküste Schwedens. Unsere Verbindungslinie muss gegen die deutschen Uboote und Bombenflugzeuge verteidigt werden. Es bedarf der Erwähnung, dass die Jahreszeit, in der der bothnische Meerbusen eisfrei ist, den Deutschen für die Landung in Finnland die grössten Vorteile bietet und zwar nicht nur an der Südküste, sondern auch an der Westküste und an der Ostküste Schwedens. Für die Landkriegsführung ist zu berücksichtigen, dass die norwegischen Häfen Nordnorwegens und insbesondere Narvik nur einen geringen Umschlag besitzen. Sie sind für die Ausladung von Truppen und für Nachschub von grösserer Bedeutung schlecht ausgerüstet. Die Eisenbahnen, die von Narvik und Drontheim nach Lulea führen können nur einen geringen Verkehr bewältigen. Diese Verkehrsziffer verringert sich noch, wenn man bis nach Finnland vorstösst, da man dann nur noch über eine Eisenbahnlinie verfügt, die ihren Ausgangspunkt in Lulea hat, und den bothnischen Meerbusen umfährt. Dies gilt unter dem Vorbehalt dass die Schweden uns ihr Eisenbahnmaterial lassen.

Regraded Unclassified

Das Klima Finnlands und insbesondere Lapplands ist ausserordentlich hart. Französisch - britische Streitkräfte können dort nur eingesetzt werden, wenn sie in geeigneter Weise ausgewählt sind. Bis Ende Mai ist dazu noch eine Sonderausrüstung nötig. Französische Zug- und Tragtiere können, von den Mauleseln abgesehen dort nicht akklimatisiert werden.

Schliesslich stellt der Nachschub von Lebensmitteln und insbesondere von Wein für unsere Truppen ein ausserordentlich schwer zu lösendes Problem dar.

Aus dem Vorhergehenden ergibt sich, dass - eine rasche wenn auch nicht gefahrlose Landung (möglicher Einwirkung feindlicher U-Boote und Flugzeuge) in Norwegen vorausgesetzt - der Einsatz unserer Streitkräfte in Finnland nur sehr langsam erfolgen könnte.

Auf dem Gebiet der Luftkriegeführung erscheint eine Hilfe fuer Finnland durch Entsendung von Bombenflugzeugen mit grosser Reichweite als die am raschesten und am leichtesten zu verwirklichende Lösung, vorausgesetzt, dass man sich wie bei einer Landung in Petsamo, für die Eröffnung kriegerischer Operationen gegen Sowjetrussland entschlossen hätte. Eine derartige Unterstützung erscheint als das einzige Mittel, Finnland bis zur Ankunft von Landstreitkräften zu retten.

Dieses Mittel könnte jedoch nur von den Engländern angewandt werden da unsere Luftwaffe noch nicht Bombenflugzeuge neuerer Art, die dieser Aufgabe gewachsen wären, in genügender Anzahl besitzt. Vor allem nicht Flugzeuge, die ihrer etwaiger Aufgabe in Frankreich entzogen werden könnten. Auf dem Gebiete der Jagdflugwaffe war die Hilfe für Finnland, auf die in diesem Falle besonders Wert gelegt wurde, notwendigerweise nachzögernder. Die Jagdflugzeuge mussten auf dem Seewege befördert werden In Schweden mussten sie abmontiert und in Finnland wieder zusammengesetzt werden. Es bleibt zu berücksichtigen, dass die Landung in Petsamo unter den gegenwärtigen Voraussetzungen ganz anders zu beurteilen ist als vor zwei Monaten. Die Russen haben in dieser Gegend bedeutende Verstärkungen erhalten. Sie sind in breiter Front nach Süden über Petsamo hinaus vorgestossen. Fliegerhorste sind eingerichtet worden. Möglicherweise ist eine Landverbindung mit Murmansk hergestellt worden. Schliesslich haben die Russen die Küste mit Verteidigungsmitteln gespickt und vor allem schwere Artillerie herangebracht. Andererseits sind die Finnen gegenwärtig bestimmt ausserstande der Landung alliierter Kontingente durch eine entsprechende Landoperation entgegenzukommen, wie ursprünglich beabsichtigt war. Im Nachhange zu den seit dem Monat Dezember durchgeführten Materialtransporten kann die Hilfe für Finnland nunmehr im Wege einer militärischen Unternehmung durch die Entsendung alliierter Truppen verwirklicht werden. Ausser den französischen und polnischen Kontingenten

Regraded Unclassified

(12 000 Mann) haben die Engländer die Entsendung von sechs bis sieben Divisionen in Aussicht genommen -- hierzu eine streng vertrauliche Auskunft, die mir von General Ironside gegeben wurde. -

Der Voranschlag fuer die Truppenstärke geht von ihm aus die Zustimmung des Kriegskabinetts liegt nicht vor. Die gesamte Streitmacht umfasst somit mindestens 150 000 Mann. Dieser Voranschlag der alle britischen Truppen der neuen Aushebung in sich einschliesst - von den gegenwärtig in Frankreich befindlichen Truppen müsste eine aktive Division weggezogen werden - kann offenbar nicht erhöht werden wenn man die Schwierigkeiten des Transports und die Umschlagsmöglichkeiten der norwegischen Häfen berücksichtigt.

Die Ausschiffung der Truppen erfordert schon an sich bedeutende Fristen. Es handelt sich um mehrere Monate. Gegenwärtig können daher keine Beschlüsse über die Erhöhung dieser Truppenzahlen gefasst werden. In zwei oder drei Monaten wird die Lage an der französischen Front zweifellos besser geklärt sein und wir werden daher in der Lage sein die Unterlagen für eine ergänzende Entscheidung zu liefern.

Die technischen Schwierigkeiten einer alliierten Intervention dürfen nicht ausser acht gelassen werden. Sie sind nicht unüberwindlich und werden gegebenenfalls aus dem Wege geräumt werden. Eigenhändige Bemerkung des Generals: Unsere skandinavischen Pläne müssen mit Entschiedenheit weiter verfolgt werden. Zur Rettung Finnlands oder doch mindestens zur Wegnahme des schwedischen Erzes und der norwegischen Häfen. Wir bringen jedoch zum Ausdruck dass vom Standpunkt der Kriegsführung aus der Balkan und der Kaukasus durch die man Deutschland auch des Petroleums berauben kann weit einträglicher sind. Jedoch hält die Schlüssel des Balkans Italien in der Hand.

gez. M. Gamelin.

Dokument Nr 3.

Telegramm des General Gamelin an General Weygand vom 12. März 1940.

Die von den Alliierten geplanten Operationen sollen im mittleren Orient vom britischen Oberkommando im Kaukasus vom türkischen Oberkommando geleitet werden.

Durchschlag - Projekt - Geheim - Nr CAB / D N - 12. März 1940.

Berlioz an Cesar Franck - Antwort auf Telegramm 1 236 -

Die meinem Brief 293 - CAB / D.N. beigefügte Note vom 7. März unterbreite te Ihnen die allgemeine Auffassung die ich dem Ministerpräsidenten bezüglich der Operationen im mittleren Orient und im besonderen über die

Regraded Unclassified

möglichen Operationen im Kaukasus vorgeschlagen habe. Ich bestätige Ihnen dass meines Erachtens die Operationen im mittleren Orient von dem britischen Oberkommando und die Operationen im Kaukasus von dem türkischen Kommando geleitet werden müssten da letztere besonders durch türkische Streitkräfte unter Mitwirkung der Luftwaffe und eventueller alliierter Spezialkontingente durchgeführt werden. Sie können mit Marschall Tschakmak über diese Frage in Verbindung treten und an allen Vorbereitenden Untersuchungen über den mittleren Orient teilnehmen.

Ich übersende Ihnen durch Kurier eine zusammenfassende Abhandlung über die Aktion im Kaukasus.

General Gamelin.

Dkument Nr 4.

Telegramm des französischen Botschafters Massigli in Ankara an das Aussenministerium in Paris, vom 14, März 1940.

Unterhaltung des Botschafters mit dem türkischen Aussenminister über das Bombardement von Baku und Batum. - Der Botschafter erwartet von der türkischen Regierung keinerlei Schwierigkeiten. - (Übersetzung)

Ministerium des Äussern. Nr 329 - Ankara, den 14. März 1940. Mit Kurier eingegangen um 22,13 Uhr. Streng geheim!

Im Laufe des Besuchs den ich ihm gestern gemacht habe hat der Minister des Äusseren mir aus eigener Initiative ein während der Nacht eingegangenes Telegramm vorgelegt in dem der türkische Vertreter in Moskau über eine Unterredung mit dem Botschafter der Vereinigten Staaten berichtete. Nach Ansicht dieses Letzteren sollen die Russen sich über die Gefahren einer Bombardierung und eines Brandes der Oelgegend von Baku solche Sorgen machen dass die sowjetrussische Verwaltung amerikanische Ingenieure gefragt hat ob und wie ein Brand der durch eine Bombardierung hervorgerufen würde sich mit Erfolg bekämpfen liesse. Ingenieure sollen geantwortet haben infolge der Art und Weise wie die Ölfelder bisher ausgebeutet worden seien sei der Boden derartig mit Oel gesättigt dass eine Feuerbrunst sich unverzüglich auf das ganze benachbarte Gebiet ausbreiten würde. Es würde Monate dauern bis man sie löschen könnte und Jahr bevor der Betrieb wieder aufgenommen werden könne. Was den Schutz der Bevölkerung angehe so müsse die Stadt zu diesem Zweck um 50 Km weitergerückt werden.

„Was halten Sie davon?" sagte Saracoglu zu mir. Ich habe

Regraded Unclassified

gestattet, moderne Bombenflugzeuge hatten zweifellos einen ausreichenden Aktionsradius um Baku von Djezireh oder von Nordirak aus erreichen zu können. Es müssten aber dazu türkische und iranische Gebiete überflogen werden.

"Sie fürchten also einen Einspruch Irans" antwortete mir der Minister. - Deutlicher hätte er mir nicht klarmachen können dass die Schwierigkeiten nicht von türkischer Seite kommen würden. Es wäre ungeschickt gewesen wenn ich ihn genötigt hätte sich näher auszusprechen und ich bin deshalb nicht weiter auf die Aeusserung eingegangen. Sie ist aber nichtsdestoweniger sehr bedeutsam und ich gestatte mir Euer Excellenz darauf aufmerksam zu machen. Ich habe überdies auch meinem englischen Kollegen davon Mitteilung gemacht.

gez. Massigli.

Dokument Nr 5.

Aufzeichnung des General Gamelin vom 16. März 1940.

Die Pläne der Schaffung neuer Fronten werden vertieft. Deutschland und Sowjetrussland sollen durch Abschneiden der Erzzufuhr aus Schweden und der Oelzufuhr aus Rumänien wirtschaftlich geschwächt werden. Man will eine Strategie der „Abnutzung der deutschen Streitkräfte" befolgen.

(Übersetzung) - Grosses Hauptquartier -
Büro des Chefs des Grossen Generalstabes
für die Landesverteidigung und Oberbefehlshaber der Landstreitkräfte.
den 16. März 1940 - No 325 CAB / D.N. - Streng geheim!

Aufzeichnung über die Kriegsführung.
(Endgültige Fassung unter Berücksichtigung der Aeusserungen der Oberbefehlshaber und des Generals Buhrer).

Da die Auffassungen die von dem „Kriegsplan für 1940" - Mit Schreiben No 290 CAB / D.N. vom 26. Februar 1940 an Herrn Ministerpräsidenten gesandt - dargelegt sind die Grundlage unseres Vorgehens bleiben empfiehlt es sich angesichts der Unterzeichnung des russisch-finnischen Waffenstillstandes festzulegen welche Operationen auf kurze Sicht unternommen werden können um fühlbare wenn nicht entscheidende Schläge gegen Deutschland zu führen. Zu Lande erscheint es im Augenblick schwierig ausserhalb des unbesetzten Gebietes wesentliche Resultate zu erzielen. Deshalb muss Deutschland gezwungen werden aus seiner gegenwärtigen abwartenden Haltung herauszutreten. Das Erste was nötig ist ist eine Verschärfung der Blockade. Neben wirtschaftlichen Ergebnissen die davon zu erwarten sind müssen folgende Ziele angestrebt werden.

Regraded Unclassified

Erstens: Es kann in Deutschlands Interesse liegen Holland und Belgien zu schonen dann diese ermöglichen es ihm die Wirkungen der Blockade weitgehend zu umgehen. Es liegt also auf der Hand dass eine strenge Kontingentierung der Einfuhr nach Holland und Belgien geeignet sein könnte Deutschland dahin zu bringen dass es kurzen Prozess macht und in die Niederlande und Belgien einfällt da diese ihm dann in wirtschaftlicher Hinsicht nur noch mässigen Nutzen brächten.

Zweitens: Bei den skandinavischen Ländern liegen die Dinge anders. Belgien und Holland dienen Deutschland hauptsächlich als Zwischenhändler nach Aussen, während Schweden Deutschland einen unentbehrlichen Rohstoff liefert nämlich das Eisen. Es muss angestrebt werden eine solche Versorgung zu verbieten. Ein einfaches Verfahren würde darin bestehen zu erklären die Lieferung gewisser wesentlicher Erzeugnisse wie zum Beispiel des Eisens durch neutrale Länder die an das Reich angrenzen bedeute einen Beistand in aller Form und würde zu Repressalien führen. Schweden würde also nur noch unter Blockadedrohung sein Erz an Deutschland liefern können. Ebenso würde Norwegen nur noch unter dem gleichen Risiko die Durchfuhr bewirken können. Falls die beiden Länder sich fügen so ist das Ziel erreicht. Andernfalls wäre ihr Seehandel zu sperren. Angesichts einer solchen Lage könnte es sein dass Deutschland beschlösse darauf zu reagieren und in Schweden mit den Waffen einzugreifen. Es müsste uns dann zur Abwehr bereit finden. Zu diesem Zweck muss in Frankreich und in England eine erste Staffel von Streitkräften bereitstehen um nach Skandinavien befördert zu werden sei es als Gegenschlag oder auch als Präventivmassnahme.

Drittens: Die Abschneidung der deutschen Einfuhren an russischen Oel. - Die Abschneidung der Lieferungen rumänischen Petroleums nach Deutschland lässt sich augenblicklich weder durch die Blockade noch durch militärische Operationen erreichen - Aus dem Kaukasus wirft zunächst einmal die Frage einer Eröffnung von Feindseligkeiten gegen die UDSSR auf. Ferner ergibt sich dabei das Problem der Mitwirkung oder wenigstens der Zustimmung der Türkei. Wie alles was im Orient vorgeht kann dabei die italienische Haltung nicht unberücksichtigt bleiben. Wie dem auch sei die Bombardierung der Petroleumanlagen von Baku und Batum aus der Luft könnte Deutschlands Versorgung mit Treibstoffen ganz erheblich behindern. Nach den z. Zt. angestellten Ermittlungen würden dazu 9 Fliegergruppen gehören. Das Kommando der französischen Luftstreitkräfte nimmt in Aussicht 4 Gruppen zu stellen der Rest wäre von der Royal Air Force zu stellen. Diese Gruppen die ihre Basis in Djezireh hätten wo das Gelände dazu vorhanden oder in der Anlage begriffen ist (In nördlichem Teil der französischen Levante) müssten wenn möglich auch in der asiatischen Türkei -diese Gelände sind z.Zt. Gegenstand von Erkundungen- Stützpunkte haben.

Regraded Unclassified

Das Kommando der französischen Luftstreitkräfte könnte schon jetzt nachdem es vierzehn Tage bis einen Monat vorher eine Warnung ausgesprochen hätte die Bombardierungsoperationen in Transkaukasien in Angriff nehmen und zwar mit zwei Gruppen schwerer Bomber die durch zwei Gruppen mittelschwerer Bomber verstärkt werden könnten. Sie wären wenn die Lage an der französischen Front es zuliesse aus dem Mutterland zu entnehmen. Die Operationen in der Luft liessen sich auf folgende Weise wirksam unterstützen: Erstens Aktionen der Flotte die auf die Stillegung des Verkehrs im Schwarzen Meer abzielten. Damit wären grundsätzlich französische und britische Unterseeboote zu betrauen. Ihre Durchfahrt durch die Meerengen würde die ausdrückliche oder stillschweigende Zustimmung der Türken voraussetzen und die würden eine Basis an den Ufern des Schwarzen Meeres in Kleinasien brauchen.

Zweitens, durch Aktionen zu Lande die nur durch die Türkei ausgeführt werden können die übrigens durch gewisse Teile unserer Levantetruppen dabei unterstützt werden könnte. An der Operation könne sich auf Betreiben Grossbritanniens auch Iran beteiligen.

Viertens, bei aller Berücksichtigung der Einwände die im Laufe des letzten Kriegskomitees dagegen erhoben worden sind besteht Interesse daran das Minenwerfen auf den Flüssen und mit den Mitteln der Luftwaffe sobald wie möglich in Angriff zu nehmen. Auf diese Weise würde sich eine teilweise Lahmlegung des Binnentransportes Deutschlands erreichen lassen. Es ist wesentlich dass die Luftwaffe die Operationen sobald wie irgend möglich von der Last befreit mit der sie sie augenblicklich beschwert. Alles in allem braucht der russisch-finnische Waffenstillstand nichts an den wesentlichen Zielen zu ändern die wir uns für 1940 setzen können. Er muss uns aber dazu veranlassen schneller und tatkräftiger zu handeln. Durch eine Kombination von Blockademassnahmen und gewissen militärischen Operationen können wir nicht nur die wirtschaftliche Abschnürung immer enger gestalten sondern Deutschland auch dazu veranlassen aus seiner militärisch abwartenden Haltung herauszutreten.

Die Erfahrungen von sechs Kriegsmonaten zeigen dass die Neutralen Deutschland fürchten. Ohne ihnen auch unsererseits ebenso drohend gegenüberzutreten müssen wir sie unsere Kraft fühlen lassen. Wohlverstanden muss das diplomatische und das militärische Vorgehen auf den gleichen energischen Ton abgestimmt werden.

Gamelin.

Regraded Unclassified

Dokument Nr.6 . Telegramm des französischen Botschafters Massigli in Ankara an das Aussenministerium in Paris vom 28. März 1940.

Bei der Aktion gegen Baku und Batum soll durch geschickte Regie die Kompromittierung der Türkei nach aussen hin vermieden werden.

Auswärtige Angelegenheiten Klartext Reserve-Nr.681

Telegrammankunft Ankara den 28.März 1940.
Ankara den 28. März 1940. Durch Kurier am 3. April um 11.30 Uhr erhalten.

Streng geheim!

Ich beziehe mich auf das Telegramm E.Exz. Nr540-541. Bei den Versuche, in meiner früheren Korrespondenz die Haltung der Türkei der Sowjetunion gegenüber klarzustellen (vergl. besonders meine Depesche Nr74 vom 24.Februar und meine Telegramme 433-439 und 461)betonte ich , dass es meiner Ansicht nach zwecklos sei, zu versuchen, die Türken gegen die Sowjets aufzuhetzen, dass man aber andererseits hoffen könne, es werde uns unter gewissen Umständen gelingen, sie dahin zu bringen, dass sie in unserem Fahrwasser gegen Russland Stellung nähmen. An dieser Meinung die ich vor dem Zusammenbruch des finnischen Widerstandes ausgesprochen habe, glaube ich heute nichts ändern zu müssen. Der Moskauer Frieden wird gewiss die türkische Vorsicht nur noch steigern, gleichzeitig aber bleibt man hier bei der Überzeugung, dass die rote Armee aus dem Krieg im Norden sehr geschwächt zurückgekommen ist was wiederum ausgleichend wirkt. Jedenfalls stellte ich keinerlei Annäherungsversuche mit der Sowjetunion fest. Im Gegenteil, man gewöhnt sich allmählich an den Gedanken, mit ihrer Feindschaft rechnen zu müssen, was aber nicht besagen will, dass die türkischen Staatsleiter gewillt sind, sich in ein Abenteuer mit ungewissem Erfolg einzulassen. Wir müssen uns in der Tat Rechenschaft darüber ablegen, dass wenn die Regierung in Ankara von jetzt ab die Überzeugung hat dass Deutschland über die Westmächte nicht den Sieg davontragen wird, doch viele Menschen in der Türkei nicht nicht davon überzeugt sind, dass diese zur Zeit einen endgültigen Sieg davontragen können. Viele glauben noch immer dass das Reich von den müde gewordenen Alliierten den Frieden erhalten wird, den es braucht. Viele glauben, - und die italienische und die deutsche Propaganda bemühen sich, sie davon zu überzeugen - dass trotz der von den Regierungen in Paris und London bekundeten Entschlossenheit der Krieg durch einen Kompromissfrieden sein Ende finden wird. Dann müsste man hier natürlich darüber nachdenken was die Zukunft bringen könnte in dem Falle, in dem bei einem künftigen Frieden für die Völker Frankreichs und Englands in den Zustand der Unsicherheit und Entmutigung lassen würde, die Türkei einen Zuwachs gegenüber - Umstände das sich die Lektionen des Finnlandkrieges nutzbar gemacht würde, um seine militärische Macht zu stärken.

Regraded Unclassified

Die Regierung kann diesen Geisteszustand nicht vollständig ignorieren. Daher rührt auch zu einem grossen Teile ihre augenblickliche Vorsicht. Ob wir uns morgen in einer wenn auch beschränkendem Aktion auf der Westfront entschieden durchsetzen, oder ob eine deutsche Offensive in grossem Stile gegen unsere Verteidigung zu Lande oder in der Luft zusammenbricht stets werden wir die Türken mutiger und unternehmungslustiger finden. Es muss aber leider hinzugefügt werden dass der Zustand unseres öffentlichen Lebens unabhängig von jedem militärischen Gesichtspunkt hier einige Unruhe hervorgerufen hat. Die letzten Stimmungen im Parlament haben einen niederschlagenden Eindruck hinterlassen. Man hat sicherlich zu der Entschlossenheit Euer Exzellenz und der Regierung, die Lage zu bessern und die französische Moral nicht sinken zu lassen, Vertrauen, aber es gibt Menschen, die dem Einfluss der deutschen und italienischen Agenturen und Rundfunksendungen gegenüber nicht unempfindlich sind und die noch nicht sicher sind, ob sie nicht in ihren Hoffnungen die auch bei uns die Gleichen sind, getäuscht werden. Man muss den Mut haben es auszusprechen, dass die Türken in der gegenwärtigen Stunde nicht das Gefühl von unserer unwiderstehlichen Überlegenheit haben, wie gross auch ihre Sympathien für uns sein mögen, die Überzeugung der meisten läuft darauf hinaus dass ihr Schicksal mit dem Schicksal der Westmächte verbunden ist, die Regierung ist gewiss zur Einhaltung der mit uns eingegangenen Verpflichtungen fest entschlossen, aber in der öffentlichen Meinung herrscht keine solche Geisteshaltung, die sie zur Ergreifung von Initiativen ermutigt, die über das Risiko hinwegführen.

Bevor ich der Aufforderung Euer Exzellenz nachkomme, deren grosse Richtlinien mir durch die Telegramme 540 – 41 angezeigt wurden erschien es mir notwendig diese wichtigen Gedankengänge in Erinnerung zu bringen. Sie erklären von vornherein einige der Vorbehalte die ich aussprechen muss, oder einige der Vorsichtsmassregeln, auf die ich mit Nachdruck hinzuweisen hätte. Eine Luftaktion auf Baku und eine Aktion zur See auf das Schwarze Meer erscheinen vom türkischen Gesichtspunkt aus technisch wie auch politisch in sehr verschiedenem Lichte.

Erstens, Ein Luftangriff auf Baku von Djezireh aus bringt eine Überfliegung türkischen Gebietes von nicht einmal 200 Km mit sich, und zwar handelte es sich um die Überfliegung des Bergmassives das sich zwischen dem Van – See und dem Ourmiah – See erstreckt, d.h. im Kurdenland. Es ist infolge der sehr strengen Polizeioperationen, die die türkische Armee dort vor 2 oder 3 Jahren durchgeführt hat, stark entvölkert ist. Es würde keinerlei wichtige Siedlungsgruppe überflogen werden, und die Flugzeuge könnten sehr gut unbemerkt passieren. Sollten sie beobachtet werden, dann höchstens von vereinzelten Polizei- oder Gendarmerie-Posten. Ausserdem könnte durch eine Wendung nach Westen und einen Querflug durch den nördlichen Teil des Iran die Überfliegung des türkischen Gebiets gänzlich vermieden werden, (und noch mehr, wenn die

Regraded Unclassified

Startbasis nicht in Djezireh sondern im Irak läge.) Wenn ich diese tatsächliche Lage mit der Bemerkung Saracoglu's vergleiche, die in meinem Telegramm Nr529 enthalten ist komme ich zu dem Schluss dass eine vorherige Benachrichtigung der türkischen Regierung und die Bitte um deren Genehmigung zur Überfliegung ihres Gebietes sie unnütz in Verlegenheit bringen hiesse. Man sollte sie wenn nicht vor die vollendete Tatsache so doch wenigstens vor ein Ereignis stellen das gerade eintritt und den Zeitpunkt für ihre Benachrichtigung über das was geschieht abwarten. (Ich meine damit ihre offizielle Benachrichtigung, denn die vertraulichen Beziehungen, die wir mit ihr wie mit dem Oberkommando unterhalten, würden es ja verbieten, dass sie ganz im Unklaren gelassen würden). Die Operation muss bereits im Gange sein, indem man sich im Voraus entschuldigt, wenn Flugzeuge während ihres Fluges genötigt sind, türkischen Luftraum zu benutzen. Weit entfernt davon, die türkische Regierung zu verletzen, wird unsere Reserve gerade der Erleichterung ihrer Aufgabe dienen. Sollte die Sowjetregierung einen Protest erheben, dann ist es wichtig, dass Ankara erklären kann mit der Angelegenheit nichts zu tun gehabt zu haben. Wenn eine Überfliegung stattgefunden hat, dann wäre es nicht einmal schlimm, wenn wir einen diskreten Protest erhielten. Sollte sich die Angelegenheit verschlimmern und sollten die Sowjets durch Kriegshandlungen darauf reagieren, so wäre es tatsächlich notwendig, dass die türkische Regierung imstande wäre, vor der grossen Versammlung zu erklären, dass die Initiative zum Angriff Moskau zur Last fällt. In diesem Falle muss die Übereinstimmung der öffentlichen Meinung und des Landes mit der türkischen Regierung sichergestellt sein. Aber gerade weil eine Reaktion der Sowjets vorauszusehen ist, müssen wir darauf bedacht sein, keinerlei Operation dieser Art vom Zaune zu brechen, ohne uns über ihre möglichen Auswirkungen auf die Türkei Rechenschaft zu geben und infolgedessen uns auch über die Lage klar zu werden der dieses Land gegenüberstehen müsste.

Mir persönlich kommt es nicht zu, mich über diese Frage auszusprechen. Ich muss jedoch bemerken dass auf der östlichen Hochebene noch der Winter herrscht und dass das erforderliche Fluggelände noch nicht erkundet und hergerichtet werden konnte. Ausserdem muss ich bemerken dass nach meiner Kenntnis die Abwehr gegen Luftangriffe auf das Kohlenbecken von Zonguldak und gegen die Hüttenwerke von Karabuk noch nichts sichergestellt ist da das für sie bestimmte englische Material noch nicht geliefert wurde. Meines Erachtens wäre es sehr unvorsichtig zwei für das türkische Wirtschaftsleben so ausschlaggebende Punkte einem Luftangriff von Seiten der Russen aus unter diesen Umständen auszusetzen. Es sollte mich wundern wenn die militärischen Experten nicht eine Frist von mehreren Wochen für die allerwichtigsten Vorbereitungen verlangten.

Regraded Unclassified

Zweitens. Die Frage des Schwarzen Meeres und der Erleichterungen, die die Schiffahrt in seinen Gewässern bei dem verkappten Mitwirken der Sowjets für die Versorgung Deutschlands bietet, hält weiterhin meine Aufmerksamkeit fest.

Ich habe mir erlaubt, gleich am Morgen nach Abschluss des englisch-französisch-türkischen Vertrages (Telegramm 1969 vom 29. Oktober 1939) darauf anzuspielen. Man muss leider anerkennen, dass eine Lösung des Problems nicht leicht zu finden ist. Nach den Bestimmungen der Meerengenkonvention sind die alliierten Mächte als Kriegsführende nur berechtigt Kriegsschiffe ins Schwarze Meer zu schicken, wenn es sich um die Erfüllung einer Entscheidung des Völkerbundes oder um die Anwendung eines im Rahmen des Völkerbundspaktes abgeschlossenen in Genf registrierten und die Türkei bindenden Beistandsvertrages handelt oder wenn die Türkei selbst als kriegsführende Macht oder sich von einer Kriegsgefahr bedroht fühlende an die alliierten Mächte einen Hilferuf ergehen lässt. Zur Zeit ist keine dieser Bedingungen erfüllt. Unser Eintritt ins Schwarze Meer kann demnach wie Euer Exzellenz bemerken nur auf Grund einer wohlwollenden Entscheidung der Türkei erfolgen, die - darüber müssen wir uns klar sein- den von ihr in Montreux übernommenen Verpflichtungen widersprechen würde und die daher einen Protest von einer Macht, welche die Konvention unterzeichnet hat oder wie die Sowjetunion oder Italien, der Konvention beigetreten ist, hervorrufen könnte. Die zuletzt genannten Mächte könnten in diesem Falle sehr wohl das deutsche Spiel betreiben. Obendrein würde die Sowjetunion selbst in dem Falle wo keinerlei kriegerische Handlungen gegen ihr Land oder ihre Kriegs- und Handelsschiffe gerichtet sind, bei einer Öffnung der Meerengen den alliierten Kreuzern eine feindselige Manifestation ankündigen und selbst Gegenmassnahmen ergreifen. Die Möglichkeit des Ausbruchs von Feindseligkeiten als eine Folge unserer Initiative ist also keineswegs ausgeschlossen und dieser Umstand würde uns verpflichten uns wie in dem bereits untersuchten Fall mit den Rückwirkungen zu befassen, die die geplante Initiative vom Standpunkt der türkischen Verteidigung haben könnte.

Es würden sich also die gleichen Vorsichtsmassregeln und Fristen zwangsweise ergeben, die die Operation gegen Baku mit sich zu bringen scheint. Wie sollte übrigens die Kontrollaktion auf dem Schwarzen Meer aussehen? Die Zahl der deutschen Handelsschiffe, die in den bulgarischen Häfen Zuflucht genommen haben ist ziemlich beschränkt (es sind scheinbar acht). Das direkte Vorgehen einer alliierten Kreuzfahrt gegen die Schiffahrt unter deutscher Flagge würde also von kurzer Dauer sein. Es wird sich hauptsächlich darum handeln die russischen, rumänischen, bulgarischen oder italienischen Schiffe zu

Regraded Unclassified

kontrollieren und Kontrollbesuchen zu unterziehen sowie unter den gleichen Bedingungen die russischen und die italienischen Petroleumschiffe anzuhalten und einer Schiffskontrolle zu unterziehen, die zwischen den kaukasischen Häfen und den Donaumündungen oder der bulgarischen Küste hin und herfahren; - alles Operationen, die sich nicht gerade erfolgreich auf hoher See durchführen lassen. Die angehaltenen Schiffe müssten zu einem Flottenstützpunkt gebracht werden um dort kontrolliert zu werden und die beschlagnahmten Waren auszuladen. Wo sollte dieser Stützpunkt sein, wenn nicht in einem türkischen Hafen? Diskrete Erleichterungen wären unzureichend. Das hiesse aber, dass die Türkei direkt mit der Aktion der Alliierten verbunden wäre und dass Deutschland sie mit Recht als kriegsführende Macht ansehen könnte.

Die türkische Regierung ist nach meinem Dafürhalten zur Zeit aus den eingangs dargelegten Gründen nicht bereit, so weit zu gehen. Kann man sich Operationen von einer anderen Art vorstellen? Wenn es so gut wie unmöglich ist, dass Kontrolloperationen planmässig auf dem Schwarzen Meer ohne aktive Teilnahme der Türkei durchgeführt werden können, so darf man sich andererseits nicht vorstellen dass Uboote - ohne dass man von dieser Macht mehr verlangt als die Augen zu schliessen - des Nachts durch die Meerengen fahren, um im Schwarzen Meer schnelle Streiffahrten durchzuführen, die den Zweck haben, den Schiffsverkehr zu stören und die deutsche Schiffstonnage, ja sogar die angehaltenen Schiffe nach deutschem Muster zu versenken, von deren Ladungen man erkannt hatte dass sie für Deutschland bestimmt waren. Ich will die Frage nur anschneiden.

Wenn die Operation technisch möglich ist dann würde sie politisch gesehen auf weniger Schwierigkeiten stossen als eine Intervention alliierter Kreuzer da sich die Türkei Dritten gegenüber darauf berufen könnte, dass sie über unsere Pläne in Ungewissheit gehalten wurde. Dennoch müssen wir uns unbedingt darüber klar sein, dass selbst eine solche beschränkte Operation die türkische Regierung in eine heikle Lage bringen würde und wir infolgedessen die Operation nicht unternehmen könnten, ohne an die Rückwirkungen zu denken, denen dieses Land ausgeliefert werden würde. Deshalb müssen wir wieder auf die Überlegungen über den Stand der türkischen Rüstungen zurückkommen, die wir bereits oben angestellt haben.

Ich komme zu dem Schluss, dass bei der gegenwärtigen Lage und nach einer von den Experten festzusetzenden Frist die Operationen gegen Baku am leichtesten zu organisieren sind und zwar in dem Masse in dem wir die türkischen Bedenken berücksichtigen könnten. Ausserdem würde ihr Erfolg derartige Konsequenzen haben und die russische Aktion derart lähmen dass die türkische Regierung bei einem

Regraded Unclassified

guten Ausgang der Operation sich gerade durch unseren Erfolg dazu ermutigt fühlt, uns die notwendigen Erleichterungen unbekümmerter zuzugestehen, damit die Operationen der Schiffskontrolle auf dem Schwarzen Meer unter günstigen Umständen vor sich gehen können.

gez. Massigli.

Dokument Nr.7

Aufzeichnung des französischen Ministerpräsidenten Daladier vom 19. Januar 1940. General Gamelin soll Denkschrift über Zerstörung russischer Ölfelder ausarbeiten.

Abschrift einer handschriftlichen Aufzeichnung des Ministerpräsidenten Daladier vom 19. Januar 1940.

General Gamelin und Admiral Darlan sind zu bitten, eine Denkschrift über eine evtl. Intervention zur Zerstörung der russischen Ölfelder auszuarbeiten.

Fall eins: Abschneidung der für Deutschland bestimmten Öltransporte im Schwarzen Meer. Es handelt sich vor allem um deutsche Schiffe. In diesem Fall wird Russland nicht in den Krieg hineingezogen.

Fall zwei: Direkte Intervention im Kaukasus.

Fall drei: Ohne direktes Vorgehen gegen Russland Massnahmen ergreifen um Selbstständigkeitsbestrebungen der mohammedanischen Bevölkerungsgruppen im Kaukasus zu fördern.

Regraded Unclassified

Dokument Nr. 8

Niederschrift über eine Abrede zwischen den französischen und englischen Generalstäben der Luftwaffe vom 5. April 1940.

Britisch-französischer Operationsplan für den Luftangriff auf Batum und Baku. In sechs Tagen soll ein Drittel der Raffinerien und Hafenanlagen zerstört werden.

Sehr Geheim!

Luftangriff auf die Erdölfelder des Kaukasus.

Verständigung erzielt im Grossen Hauptquartier der Luftwaffe 5. April 19[illegible]

Der französisch-britische Luftangriff auf das Kaukasus-Petroleum richtet sich ausschliesslich gegen die Raffinerien und die Hafenanlagen von Batum - Ptoi - Grosny - Baku.
Es kann damit gerechnet werden, dass innerhalb der ersten sechs Tage dreissig bis 35 vom Hundert der Kaukasus-Raffinerien und der Hafenanlagen zerstört sein werden. Das verwendete Flugzeugmaterial umfasst 90 bis 100 Flugzeuge, die aus 6 französischen Fliegergruppen und 3 britischen Geschwadern zusammengestellt werden. Die französischen Gruppen werden so ausgestattet dass sie Baku an den vorgesehenen Daten angreifen können. Sie setzen sich aus zwei Gruppen Farman 221 und 4 Gruppen Glen Martin, die mit Ersatztanks ausgerüstet sind, zusammen. Sie können bei jedem Feindflug insgesamt 70 Tonnen Bomben auf etwa 100 erkundete Raffinerien abwerfen. Feindliche Gegenwirkung und die vermutliche Anwesenheit deutscher Jagdflieger werden die Wirksamkeit dieser Operation in erheblichem Masse vermindern.

Dokument Nr.9

Bericht des Generals Weygand an den Oberkommandierenden der französischen Luftwaffe vom 17.April 1940.

Die Luftaktion gegen die russischen Ölfelder im Kaukasus wird für Ende Juli 1940 vorbereitet.

Der Oberkommandierende des östlichen Mittelmeeres 17.April 1940

Geheim!

General Weygand an den Oberkommandierenden Gamelin, Befehlshaber der Landstreitkräfte, an den Oberkommandierenden der Luftwaffe Vuillemin.

Die Vorbereitungen für die Bombardierung der Ölfelder des Kaukasus sind so weit fortgeschritten, dass sich die Frist, innerhalb derer diese Operation durchgeführt werden kann, abschätzen lässt.

Regraded Unclassified

politische Voraussetzungen.
Die Einhaltung einer Frist ist hier nicht geboten die Unternehmung braucht nicht zum Gegenstand einer Vereinbarung mit den Türken gemacht zu werden, deren Abschluss sich im übrigen als unmöglich erwiesen hat. Der französische Botschafter in der Türkei hat der Regierung über diese Frage genau berichtet. Gegenwärtig kann von einer Genehmigung für die Überfliegung türkischen Staatsgebietes nicht die Rede sein, noch weniger von der Bereitstellung von Flugplätzen, die als Sprungbrett dienen könnten. Auch sonstige Hilfe ist nicht zu erwarten.

Der Materialtransport für den gesamten Bedarf, geht über die Eisenbahn Aleppo – Nisaibine. Eine vorherige Demarche für die Benutzung dieser Strecke, soweit sie türkisches Staatsgebiet berührt ist nicht erforderlich, da unsere früheren Vereinbarungen uns in dieser Beziehung jede Freiheit lassen. Bei der Schätzung der Fristen sind zu berücksichtigen:

a.) die Herrichtung der Flugplätze. In dieser Jahreszeit ist nur geringe Arbeit erforderlich, ihre Dauer wird auf 14 Tage geschätzt.

b.) Arbeiten auf der Eisenbahnstrecke und zur Auffüllung der Depots (Weichen, Schienen, Drahtleitungen) Dauer: 14 – 20 Tage.

c.) Transport von Betriebsstoff, Munition, Truppen und Wagenpark nimmt für die französischen Streitkräfte 56 Züge in Anspruch. Dies bedeutet bei Annahme von 4 Zügen in 24 Stunden eine Frist von 14 Tagen. Ebenso lange Zeit ist für die englischen Truppen erforderlich.

Insgesamt werden somit 30 Tage benötigt. Berücksichtigt man dass a.) und b.) gleichzeitig ausgeführt werden können, so sind mindestens 45 bis 50 Tage nötig. Vorausgesetzt dass das Eisenbahnmaterial und der britische und französische Nachschub unverzüglich in Marsch gesetzt werden. Ausser diesen Fristen muss auch die Zeit berücksichtigt werden, die für die Instandsetzung und die Anreise der Bombenflugzeuge erforderlich ist. Bezüglich der französischen Geschwader ist zu bemerken, dass gegenwärtig keins einsatzbereit ist. Aller Wahrscheinlichkeit nach wird die Gruppe der Farman – Nachtbomber, die seit langem in Dienst steht, rasch hier eintreffen können. Im Gegensatz hierzu erhält die Gruppe der Bomber, die zur Levanteluftwaffe gehört jetzt erst die ersten Flugzeuge des Type Glen – Martin. Nach den Angaben der Oberkommandos der Luftwaffe selbst sind zweieinhalb bis drei Monate unerlässlich, um die Piloten auszubilden und sie instandzusetzen an einer Kriegsoperation teilzunehmen, bei der es darauf ankommt, das vorhandene Material im höchsten Grade auszuwerten. Wahrscheinlich befinden sich die übrigen Gruppen des Type Glen – Martin, die aus Frankreich oder aus Nordafrika erwartet werden, in ungefähr entsprechendem Zustand. Der Vice-Luftmarschall und Kommandeur der britischen Luftwaffe im mittleren Orient war als er die von ihm für erforderlich gehaltenen Fristen befragt wurde, um die Antwort sehr über

Regraded Unclassified

verlegen, da er selbst seine Flugzeuge noch nicht erhalten hat.
Es muss bemerkt werden, dass diese Schätzung die technische Vorbereitung des Bombenangriffs unberücksichtigt lässt. Diese Vorbereitung umfasst die Aufnahme von Luftbildern, die Auswahl der Ziele sowie des geeignetsten Bombenmaterials, schliesslich die Herrichtung der Flugzeuge für den besonderen Fall.

Die Vorsicht gebietet, daher die Ausführung der Operation erst für Ende Juni oder Anfang Juli in Aussicht zu nehmen besonders wenn man an die absolute Notwendigkeit denkt, das Unternehmen erst durchzuführen wenn alles bereit ist.

Nur so kann man entscheidende Ergebnisse mit dem grösstmöglichen Machteinsatz und der grössten Schnelligkeit erzielen.
Die Operation selbst darf nur einige Tage dauern und muss in massierter Bombardierung derjenigen Punkte bestehen, deren Zerstörung durch Spreng- oder Brandbomben als besonders wirksam anzusehen ist.

Die bezeichnete Frist ist übrigens auch für die Türkei nötig wie Herr Massigli bereits hervorgehoben hat da die Türkei sich im Laufe dieser Frist in einen Zustand versetzen müsse der ihr erlaubt, jeder feindlichen Gegenwirkung zu trotzen, die infolge der Bombardierung möglicherweise ausgelöst wird.

Der Oberkommandierende des Operationsgebietes Ost Mittelmeer.

gez. Weygand.

Stempel des Oberkommandierenden.

Regraded Unclassified

Dokument Nr 10.

Telegramm von General Gamelin an den britischen Luftmarschall Newall vom 15.5.1940.

Sofortige Entsendung von 10 britischen Jagdgeschwadern erbeten.

F.C. 15, Mai 1940. Nc 528 CAB / D.N.

Der Oberbefehlshaber General Gamelin an den Air Marshall Newall.
(Bleistiftanmerkg.:Für Gen. Lelong)

Im Nachgang zu dem Ersuchen der französischen Regierung präzisiere ich, dass die Zahl der Jagdgeschwader, deren unverzügliche Entsendung auf die Flugplätze der britischen Luftwaffe in der Champagne erforderlich ist, 10 beträgt. Hierbei ist zu beachten, dass im Falle des Kriegseintritts Italiens Frankreich gezwungen wäre, einen Teil seiner Jagdgeschwader nach dem Südosten Frankreichs und nach Tunis zu versetzen. Wir werden das erforderliche Bodenpersonal stellen. Einzelheiten können durch unmittelbare Vereinbarung zwischen General Vuillemin und Marschall Barratt geregelt werden.

General Gamelin.

Dokument Nr 11.

Telegramm von General Gamelin an Winston Churchill vom 16.5.1940.

Britische Luftwaffe muss in Kampfhandlungen eingesetzt werden.

Geheim - P.C. Den 16. Mai 1940 NC. 529 CAB / D.N.
Der Oberbefehlshaber General Gamelin an General Lelong für Mr. Winston Churchill.

Ich erlaube mir erneut an Sie heranzutreten, um die sofortige Entsendung der 10 Jagdgeschwader zu erbitten. Lage sehr ernst, natürlich würden diese 10 Jagdgeschwader an der unteren Seine stationiert werden, wo sie Schutz haben und wo Sie sie leicht wieder zurückholen können.

General Gamelin.
(Verziffert und abgesandt am 16. Mai 1940 um 10 Uhr 30)

Regraded Unclassified

Dokument Nr 12.

Telegramm von General Gamelin an Winston Churchill -16.5.40. Erneute Bitte um sofortige Entsendung von 10 britischen Jagdgeschwadern.

P.C. 16. Mai 1940 No 531 CAB / D.N.

Der Oberbefehlshaber General Gamelin an General Lelong für Mr. Winston Churchill.

Ich erlaube mir, erneut auf die Tatsache hinzuweisen, dass z.Z. die wesentlichste Aufgabe der britischen wie der französischen Luftwaffe darin liegt, auf die feindlichen Truppen einzuwirken unter besonderer Berücksichtigung derjenigen Punkte, die sie zwangsläufig passieren müssen.

General Gamelin.

(Verziffert und abgesandt am 16. Mai 1940 um 14,20 Uhr)

Dokument Nr 13

Telegramm von General Gamelin an Winston Churchill.

17. Mai 1940. No 533 CAB / D.N.

Der Oberbefehlshaber General Gamelin an General Lelong für Mr. Winston Churchill bei seiner Ankunft in London.

Unsere Armee Giraud wird seit heute vormittag südlich Maubeuge angesetzt. Die Kämpfe sind sehr schwer. Die Folgen können schwerwiegend sein, und zwar nicht nur für Frankreich sondern auch für England. Die Richtung bedroht namentlich die Verbindungswege der britischen Armee. Ich fordere erneut den Einsatz der britischen Luftwaffe in jeder Weise als Beitrag zu der Schlacht. Insbesondere wäre die Legung von magnetischen Minen in der Maas sehr wirksam, um Verstärkungen und Nachschub des Feindes zu stören.

General Gamelin.

(Verziffert und abgesandt am17. Mai 9,25 Uhr.

Dokument Nr 14.

Protokoll über die Sitzung des alliierten Obersten Kriegsrates vom 22.5.1940.

Im Hauptquartier des inzwischen zum Oberkommandierenden ernannten Generals Weygand unter Teilnahme von Winston Churchill und Ministerpräsident Reynaud. Völlige Ratlosigkeit inmitten der Flandernschlacht. Desorganisation der Führung, verzweifelte Pläne, um die Umklammerung zu durchbrechen. Churchill sagt zu, die Luftwaffe in Kampfhandlungen einzusetzen.

Präsidium des Ministerrats. Abschrift. Streng vertraulich.

Französisch - britische Sitzung vom 22. Mai 1940.

Regraded Unclassified

Gegen 12 Uhr kamen Winston Churchill im Grossen Hauptquartier an. In seiner Begleitung befanden sich der britische Botschafter der General Sir John Dill, der Vice Marschall der Luftwaffe Pire und General Ismay. Paul Reynaud wird von Hauptmann de Margerie begleitet. General Weygand empfing die beiden Premierminister im Kartenzimmer seines Generalstabs. Er ersuchte Oberst Simon den Schlachtplan der alliierten Streitkräfte in grossem Zuge darzulegen.

Oberst Simon erklärte; dass sich zwei französische Divisionen unter dem Befehl des Generals Fagalde im äussersten Norden an der Schelde und in Seeland befinden. Ihnen folgen die belgischen Truppen bis ungefähr Audewarde. Das britische Expeditionskorps steht weiter im Süden mit 4 Divisionen, zu denen 3 Divisionen in der Gegend von Arrus kommen. 2 britische Ersatzdivisionen befinden sich im Raume von Lille. An sie schliesst sich die erste französische Armee an, an deren Flanke sich das Kavalleriekorps befindet. General Billotte, der Oberbefehlshaber der französisch - englisch - belgischen Armee im Norden liegt wegen eines ernsten Autounfalls im Lazarett. Er hat den Oberbefehl an General Blanchard abtreten müssen, der seinerseits von General Prioux ersetzt worden ist. Dieser hat sich an der Spitze des Kavalleriekorps hervorragend geschlagen.

Winston Churchill erklärte, dass eine deutsche Panzerkolonne die am Morgen des Vortages von Abbeville aufgebrochen sei, den Ort Etaples in Richtung auf Boulogne passiert habe. Ein verwundeter englischer Offizier, der diese deutschen Streitkräfte vorbeifahren sah, habe sie auf 4 bis 5000 Mann geschätzt. Ungefähr die Hälfte dieser Truppeneinheit, die im Vordringen nach Norden begriffen sei, sei gegen 16.30 Uhr von britischen Luftstreitkräften, die in Grossbritannien gestartet seien, angegriffen und sind in Etaples aufgehalten worden.

Zwei Gardebataillone die beiden letzten noch in England verbliebenen Einheiten der aktiven britischen Armee seien mit 48 Paks in Boulogne gelandet. Ihre Aufgabe sei die Verteidigung dieser Stadt gegen etwaige deutsche Angriffe. Zur Verteidigung von Calais und Dünkirchen seien gleichfalls Massnahmen getroffen worden. Man könne somit annehmen, dass diese drei Häfen gegen einen Überfall, wie er sich in Abbeville ereignet habe, gesichert seien.

General Weygand bestätigt die Angaben des Premierministers. Er fügt hinzu, dass sich in Calais drei französische Infanteriebataillone befänden, und dass der Kommandant von Dünkirchen ein besonders tüchtiger Admiral sei, der über die erforderlichen Kräfte für die erfolgreiche Verteidigung der Stadt verfüge.

Hierauf fuhr Oberst Simon mit der allgemeinen Darlegung der Lage fort.

Die Somme ist offenbar jenseits Ham nicht überschritten worden, die Deutschen besitzen einige Brückenköpfe, einen davon in

Regraded Unclassified

[illegible] und einen anderen südlich von Amiens. Eine französische Armee unter dem Befehl des Generals Frere nimmt den Raum zwischen der Oise und der Somme ein und zieht sich fortschreitend in der Richtung gegen Arras zusammen. Sie umfasst 8 Divisionen von denen 4 vollständig sind, während die 4 übrigen noch verladen werden. Diese Armee hat den Befehl erhalten, einen Angriff nach Norden auszuführen, um das Sommetal freizumachen. Weiter im Osten befinden sich die Armeen Touchon und Huntziger.

Was die deutschen Armeen anbelangt, so haben sie in der ersten Linie an den kritischen Punkten Panzerdivisionen aufgestellt. Hinter diesen Einheiten folgen motorisierte Divisionen, hinter diesen wieder die normalen Divisionen, die auf Pferdekraft angewiesen sind. Es hat den Anschein, als ob eine Anzahl von Infanteriedivisionen im Begriffe sei, sich im Raume von St Quentin zur Verteidigung einzurichten.

Auf eine Frage Winston Churchills erklärte General Weygand, dass bereits grosse Massen feindlicher Infaterie in Berührung mit der Armee Huntziger ständen. Er fügte hinzu: Vor unseren Augen spielte sich und spielt sich noch jetzt ein erster deutscher Angriff ab, der nach einer bisher unbekannten Formel mit neuen Kampfmitteln vor sich gehe. Der General ist der Ansicht, dass diesem ersten Angriff eine Offensive klassischen Stils mit starker Artillerieunterstützung folgen werde.

Nach Lösung der ersten Frage werden wir uns sonach mit einem zweiten Problem zu befassen haben, dessen Lösung nicht minder schwierig sei, umsomehr als heftige Vorstösse des Feindes gegen Süden, nämlich gegen die in der Maginotlinie stehenden Heeresgruppen zu erwarten seien.

General Weygand berichtete anschliessend in grossen Zügen über die Ergebnisse seiner Reise an die Front. Der Oberkommandierende erklärt, es für ausgeschlossen, von der englisch französisch belgischen Hauptgruppe, die sich noch im Norden befindet und mehr als 40 Divisionen umfasst, zu verlangen, sich einfach nach Süden durchzuschlagen und den Anschluss an die französische Hauptarmee zu finden. Ein derartiges Manöver sei zum Scheitern verurteilt und die beteiligten Truppen hätten mit ihrem sicheren Verlust zu rechnen. Die Lage verlangt im Gegenteil, dass die verfügbaren französischen und englischen Streitkräfte unter dem Schutz des belgischen Heeres, das für sie die Deckung gegen Osten und gegebenenfalls gegen Norden übernehme im Raume von Cambrai und Arras und in der allgemeinen Richtung St Quentin einen Angriff nach Süden vortragen und auf diese Weise den deutschen Panzerdivisionen, die sich derzeit im Sack von St Quentin befinden, in die Flanke fallen.

Gleichzeitig hat die französische Armee des Generals Frere die südlich der Somme in der Gegend von Beauvais steht, nach Norden vorzustossen und so den Druck auf die feindlichen Panzertruppen im Raume von Amiens, Abbeville und Arras zu verstärken. Das Wesentliche besteht

Regraded Unclassified

darin, diese Truppen einer ständigen Druck auszusetzen, ihnen nie die Initiative zu überlassen, sondern sie ständig in Bewegung zu halten, ihnen Verluste beizubringen und ihre rückwärtigen Stellungen zu gefährden. Nur in dieser Weise kann der Rückzug der in Belgien stehenden Heeresteile mit Erfolg durchgeführt werden.

Am Vortage konnte General Weygand diese Frage leider mit General Gort nicht besprechen, da sich dieser ausser Reichweite befand. Jedoch hatte General Weygand eine lange Besprechung mit den König der Belgier und dessen Generalstab.

Über die Aufgabe der belgischen Armee bestehen nach dem Oberkommandierenden 2 Auffassungen. Bisher hat sich der König für keine dieser Auffassungen entschieden.

Die eine Auffassung die General Weygand teilt, besteht darin, der belgischen Armee aufzugeben, sich von der Schelde auf die Yser zurückzuziehen und dabei die Deckung der französisch-britischen Streitkräfte, die auf St Quentin vorgehen, zu übernehmen. Tatsächlich befindet sich die belgische Armee zwischen der Scheldemündung, Gent und Audenwarde in einer gefährdeten Lage. Die Unterstützung, die sie den übrigen Heeresteilen der Westfront leht, kann ebenso gut von der Yser aus mit Hilfe von Überschwemmungen durchgeführt werden. - General Weygand hat übrigens das sofortige Freilassen des Wassers angeordnet.

Die andere Auffassung wurde von General van Overstraaten dem Adjutanten des König Leopold vertreten. Nach dieser Auffassung hat die belgische Armee in ihrer bisherigen Stellung zu verbleiben und sich wenn nötig von den übrigen alliierten Streitkräften zu trennen. Ihre Aufgabe ist, die Küste in einem weiten Halbkreis zu schützen. Der Nachschub kann in diesem Fall über Ostende und Dünkirchen gesichert werden. Zur Begründung dieses Plans wies General van Overstraaten auf die Ermüdung der belgischen Truppen hin. Diese haben von Maastricht her ununterbrochene Märsche zurückgelegt. Der belgische General wies auch auf die Moral dieser Truppen hin, die unter diesem langen Rückzug natürlich gelitten hat. Seit der Ankunft der belgischen Armee an der Schelde haben die Truppen nach einer 24 stündigen Ruhe wieder Fassung gewonnen und dies am 21. Mai dadurch bewiesen, dass sie 2 deutsche Versuche, den Übergang über die Schelde zu erzwingen, glänzend abgeschlagen haben. Von diesen Truppen zu verlangen, erneut zurückzuweichen und das nationale Gebiet fast in seiner Gesamtheit preiszugeben, hiesse die Truppe nach der Ansicht des Generals van Overstraaten den Gefahren einer neuen Welle der Demoralisierung aussetzen.

General Weygand hat sich dieser Auffassung mit grosser Entschiedenheit widersetzt. Er hat zu bedenken gegeben, dass die Streitkräfte der Alliierten eine Einheit darstellten, dass die Franzosen und Engländer den Belgiern zu Hilfe gekommen seien und dass jetzt die Belgier weiter an der Seite der Engländer und Franzosen den Kampf fortführen müssten. Er hat hinzugefügt, dass der Nachschub für die

Regraded Unclassified

Armee des Königs unter den vom General van Overstraaten vorausgesehenen Umständen unmöglich durchgeführt werden können und dass in diesem Fall sich die belgischen Streitkräfte sehr bald gezwungen sehen würden, zu kapitulieren.

Der König hat in die Diskussion nicht eingegriffen, erst bei seiner Rückkehr zum Grossen Hauptquartier, eine Stunde früher erfuhr General Weygand, dass das belgische Oberkommando sich seiner Meinung angeschlossen habe und sich entschlossen habe, Richtung auf die Yser in zwei Etappen zu machen, von denen die erstere einen Rückzug bis zur Lys vorsah. Unter diesen Umständen fährt der General fort wird die belgische Armee die Rolle als Deckung spielen, die ich ihr zugedacht habe, während die französisch-englischen Streitkräfte sich nach Süden entfalten werden, wobei sie zu ihrer Rechten durch das französische Kavalleriekorps verstärkt werden durch das belgische Kavalleriekorps, von denen letzteres zum Teil motorisiert ist. Der König hat vorgesehen, dieses dem französischen Oberbefehl zur Verfügung zu stellen.

Während der Dauer des Vortrages von General Weygand liessen Mr Winston Churchill und General Sir John Dill vielfach ihre Zustimmung erkennen und zeigten durch Fragen und Unterbrechungen, dass ihre eigene Auffassung über die Schlacht genauestens mit der des Generalissimus übereinstimmte, insbesondere wo es sich um die der belgischen Armee zugeteilte Rolle handelte. Der britische Premierminister wiederholte mehrfach, dass die Wiederherstellung der Verbindung der Nord Südarmeen über Arras unerlässlich sei. Dass die englischen Streitkräfte unter General Gort nunmehr für 4 Tage Lebensmittel hätten, dass der gesamte Nachschub und alles Kriegsmaterial des britischen Expeditionskorps ab Calais längs der Küste in Richtung auf St Nazaire konzentriert sei. Und dass der Hauptgedanke des General Gort dahingegangen sei, diese für ihn lebenswichtigen Verbindungswege offen zu halten. Daher hat er sich seit vorgestern in Bewegung gesetzt, indem er auf seiner rechten Flanke eine Anzahl Einheiten hinter diese Linien verlegt hat, um in Richtung auf Arras und Bapaume vorrücken zu können. Es handelt sich hier um eine für die Zukunft des Krieges entscheidende Schlacht, denn die Versorgung der englischen Streitkräfte über die Kanalhäfen ist sehr stark in Frage gestellt, sodass unter diesen Umständen das Gebiet um Cambrai und St Quentin eine entscheidende Bedeutung gewinnt.

Mr Winston Churchill teilte etwas später in einer Privatbesprechung dem französischen Ministerpräsidenten und dem General Weygand mit, dass die Beziehungen des Generals Billott zu dem Oberstkommandierenden des britischen Expeditionskorps nicht vollauf zufriedenstellend seien. Insbesondere sei General Gort durch vier Tage hindurch ohne Weisung geblieben.

Hierzu teilte General Weygand mit, dass der General Billett durch einen schweren Automobilunfall leidend sei und durch General Blanchard ersetzt wird.

Regraded Unclassified

General Weygand stellt die volle Billigung fest, die die britische Regierung und der britische Generalstab seinen Plänen entgegenbrachten und brachte dann ebenso entschieden und klar wie höflich [illegible] in seinen Augen entscheidende Forderungen vor.

Erstens, es ist von ausschlaggebender Wichtigkeit für den Erfolg der beginnenden Schlacht, dass die britische Luftwaffe und zwar Jäger wie Bomber sich vollauf im Kampfgebiet einsetzen. Sie hat der französischen Armee während der vergangenen Tage sehr grosse Dienste erwiesen und hat so schon einen äusserst günstigen Einfluss auf den Geist der Infanterie ausgeübt, während sie zugleich viele deutsche Marschkolonnen auf dem Wege zur Front empfindlich gestört habe. Daneben hat sie umfangreiche Aktionen in bestimmten Teilen Deutschlands durchgeführt und zwar namentlich im Ruhrgebiet und in Hamburg, Bremen und an anderen Orten, wo sie gute Erfolge in der Bombardierung von feindlichen Tankanlagen und Raffinerien erzielt habe. In Abetracht der Wichtigkeit unserer Zusammenarbeit hält der Generalissimus es jedoch im Augenblick für erforderlich, dass die englische Luftwaffe vorläufig nur für einige Tage ihre Fernflüge einstellt, um dauernd und unmittelbar an der Front selbst oder in der nächsten Umgebung zu wirken. Er fordert also, dass die britische Luftwaffe den Befehl bekomme, ihre Anstrengungen in der Gegend der vorgesehenen Operationen zu vervielfachen.

Der Viceluftmarschall Pkire teilt hierauf seine Ansicht zu dem Thema mit. Er gibt zu bedenken, dass ein Teil der britischen Bombergeschwader namentlich die Wellingtons kaum bei Tage eingesetzt werden, kann, da die Flugzeuge zu exponierte Ziele darstellen. Es scheint ihm äusserst wichtig, dass andererseits z.B. die Maasbrücken oder die Eisenbahnknotenpunkte in einiger Entfernung von der eigentlichen Operationslinie bombardiert werden, da sie deutscherseits für den Nachschub während der Schlacht von Bedeutung seien.

Nach einem Gedankenaustausch zwischen ihm und General Weygand, an dem auch Mr Winston Churchill teilnimmt, kommt man überein, dass den Wünschen des Generalissimus entsprochen wird und die britischen Luftstreitkräfte des Mutterlandes ausschliesslich in der Schlacht eingesetzt werden. Die Bomber , die nicht immer (wie dies in den vorhergehenden Tagen der Fall war) in der Kampflinie selbst genaue Ziele ausmachen können, werden die Verbindungen zwischen der Front und der Maas zu stören versuchen, während die Jäger (die aus England kommend, kaum länger als 20 Minuten im Kampfgebiet sich aufhalten können) sich in aufeinanderfolgenden Wellen ablösen werden.

Zweitens, General Weygand weist sodann nachdrücklich auf die Gefahr für die nationale Verteidigung, die sich z. Zt. aus dem Flüchtlingsstrom aus den Niederlanden Belgien und Nordfrankreich ergebe, hin. Sie auf den Strassen sich vorwärtsbewegenden Massen behindern die Bewegungsfreiheit der Truppen, gestatten deutschen Elementen, sich

Regraded Unclassified

unter sie zu mengen und üben überdies eine ungünstige Wirkung auf den Geist der Truppe aus. Es ist unbedingt erforderlich, dass diesem Zustrom Einhalt geboten wird, dass niemand mehr auf französisches Gebiet übertreten dürfe dass die in Bewegung befindlichen Flüchtlingskolonnen von den grossen Verkehrsstrassen während gewisser Tagesseiten ferngehalten werden. Sie sollen auf den Feldern lagern und nur mit gewissen Einschränkungen weiterziehen dürfen. General Weygand zeigte sich in diesem Punkte dem König der Belgier äusserst firm, und er hofft, dass die alliierten Regierungen die gleiche Haltung einnehmen werden. Mr Winston Churchill und M Paul Reynaud äussern ihre volle Billigung zu den vom General vorgetragenen Gesichtspunkten.

Der Generalissimus teilte dann kurz mit, dass er sich während des Abends und in der Nacht mit drei Offizieren des Generalstabs der Armee Giraud habe unterhalten können, die ihm ausserordentlich wertvolle Einzelheiten über die von der deutschen Armee in der Schlacht angewendeten Methoden hätten geben können und die auf seine Weisung hin eine kurze Aufzeichnung vorgelegt haben, die verlesen wird.

Mr Winston Churchill schliesst daraus, dass unter Anwendung geeigneter Methoden und mit der notwendigen Kaltblütigkeit die Angriffe der deutschen Panzerkräfte, selbst wenn sie von Bombern unterstützt werden, abgewehrt werden könnten, und dass es sich jetzt darum handele, sich überall, wo man sich befinde, bis zum letzten in den Stellungen zu bleiben.

General Weygand fügt hinzu, dass man auch handeln müsse und dass wo man angreife, man auch jemanden störe.

Die Sitzung wurde um 13.15 Uhr geschlossen.

17.00 Uhr – General Weygand sucht den Ministerpräsidenten auf und zeigt ihm an Hand einer mitgebrachten Karte die näheren Umstände, unter denen sich morgen die vorgesehene Offensive abspielen wird.

M. Paul Reynaud macht ihn bei dieser Gelegenheit von den Gerüchten Mitteilung, die hierüber in politischen Kreisen umlaufen und bittet ihn, allenthalben erneut Weisung zu geben, damit das Geheimnis über die Operationen gewahrt bleibe.

Der Oberstkommandierende stellt fest, dass die Tatsachen, die er im Laufe des Vormittags Mr Winston Churchill und M Paul Reynaud mitgeteilt habe, durch eine günstigere Entwicklung ergänzt werde . Die Armee des Generals Frere werde morgen zur Stützung der im Norden vorgesehenen Operationen zahlreichere und bedeutendere Einheiten aufweisen, als man es vor einigen Stunden annehmen konnte.

Streng vertraulich!

Schlussfolgerungen der am 22. März 1940 im Hauptquartier des Generals Weygand abgehaltenen Konferenz zwischen dem Ministerpräsidenten, Paul Reynaud und General Weygand und dem britischen Premierminister Winston Churchill, General Gill, Luftmarschall Pierce.

Es wurde folgendes vereinbart:

Regraded Unclassified

1.) Die belgische Armee zieht sich auf die Yser - Linie zurück und hält diese Linie. Die Schleusen sind geöffnet.

2.) Die britische und die französische Armee greifen im Südwesten in Richtung Bapaume und Cambrai an und zwar sobald wie möglich - bestimmt morgen mit ungefähr 6 Divisionen.

3.) Angesichts der vitalen Bedeutung dieser Schlacht für die beiden Heere und der Tatsache, dass die britischen Verbindungen von der Befreiung Amiens abhängen, leistet die britische Luftwaffe während der Dauer der Schlacht Tag und Nacht jede mögliche Hilfe.

4.) Die neue französische Armeegruppe, die auf Amiens vorstösst und die länge der Somme eine Front bildet, stösst nach Norden vor, um die Verbindung mit den in Richtung Süden Richtung Bapaume angreifenden britischen Divisionen aufzunehmen.

Dokument Nr 15.

Telegramm von Winston Churchill an Ministerpräsident Reynaud für General Weygand vom 24. Mai 1940.

Heftige Beschwerde über mangelnde Führung und Verbindung.

Landesverteidigungs und Kriegsministerium - Ministerbüro.
Französische Republik. Streng geheim! Paris, den 24. Mai 1940.
Abschrift des Telegramms von Churchill an Reynaud für General Weygand.
(Dechiffriert am 24. Mai 1940 0300 Uhr früh).

General Gort telegrafiert, dass die Koordinierung mit den Armeen der drei verschiedenen Nationen an der Nordfront wesentlich sei. Er könne diese Koordinierung nicht bewirken, da er bereits im Norden und Süden kämpfe und seine Verbindungsstrassen bedroht seien. Gleichzeitig höre ich von Sir Roger Keyes, das belgische Hauptquartier und der König hätten bis heute, 23. Mai 0300 Uhr nachmittags keine Direktiven erhalten. Wie passt das zu Ihrer Erklärung, Blanchard und Gort gingen Hand in Hand? Ich unterschätze durch aus nicht die Schwierigkeiten für die Aufrechterhaltung der Verbindung, habe aber nicht das Gefühl, dass die Operationen im nördlichen Gebiet, gegen das sich der Feind konzentriert, wirksam miteinander in Einklang gebracht werden. Verlasse mich darauf, dass Sie darin Abhilfe schaffen können. Gort sagt ferner, jedes Vorrücken seinerseits könne nur die Form eines Durchbruchsversuchs annehmen, und er müsse Entsatz von Süden her erhalten, da er zu einem ernsthaften Angriff die erforderliche Munition nicht habe. Nichtsdestoweniger wiesen wir ihn an, an der Durchführung Ihres Planes festzuhalten. Wir haben hier nicht einmal Ihre eigenen Richtlinien erhalten und wissen nichts über die Einzelheiten Ihrer Operationen im Norden. Wollen Sie uns diese bitte sobald wie irgend möglich durch die französische Botschaft senden.

Die besten Wünsche.

Regraded Unclassified

Dokument Nr 16.

Telegramm von Paul Reynaud an Winston Churchill vom 24.5.40. Heftige Beschwerde wegen Räumung von Arras und Le Haure durch die britischen Truppen. Forderung, sich den Befehlen des Generals Weygand unterzuordnen.

Übersetzung - Durchschlag. Streng geheim! 24. Mai 1940.

Telegramm von Paul Reynaud an Winston Churchill.

1.) General Weygand hat Ihnen vorgestern in meiner Gegenwart in Vincennes einen Plan auseinandergesetzt, dem sie wie auch Ihre Begleitoffiziere voll und ganz zugestimmt haben.

2.) Diesen Plan hatten Sie schriftlich zusammengefasst. General Weygand setzte Sie davon in Kenntnis, dass er dieser Zusammenfassung zustimmte.

3.) General Weygand kennt alle Schwierigkeiten der Lage, aber er ist der Ansicht, dass es keine andere mögliche Lösung gibt, als die Durchführung dieses Planes, selbst auf die Gefahr hin, dass man ihn den Schwierigkeiten des Augenblicks anpasst, indem man z.B. den Marsch nach Südwesten abbiegt und der rechte Flügel unterhalb von Amiens auf die Somme hinsteuert. Er hat daher heute morgen den Befehl zur Durchführung dieses Planes wiederholt. Die eingeschlossenen Armeen müssen also den verzweifelten Versuch unternehmen, sich mit den von Süden nach Norden marschierenden französischen Truppen zu vereinigen, indem sie von der Somme aus und zwar besonders von Amiens aus, losbrechen.

4.) Es ist dringend erforderlich, die Armee Gort über Dünkirchen zu verproviantieren, das von den beiden Divisionen Fagalde gedeckt wird.

5.) Es ist sehr wünschenswert, dass Sie in die Häfen Truppen entsenden, sowie Sie es gestern für Calais getan haben.

6.) General Weygand hat zu seiner Überraschung festgestellt, dass im Widerspruch zu diesem Plan die Stadt Arras gestern von den englischen Truppen geräumt worden ist.

7.) Die Verbindung des Generals Weygand mit der belgischen Armee ist sichergestellt. Er hat gestern abend erfahren, dass die Belgier kleine Streifzüge zurückgewiesen haben und ihre Moral ausgezeichnet sei.

8.) Die Unmöglichkeit, mit Blanchard, dem Oberbefehlshaber der drei Armeen, nämlich der belgischen Armee und der Armeen Gort und Blanchard, direkt in Verbindung zu treten, gestattet dem General Weygand nicht, Ihnen über die fehlende Verbindung zwischen Blanchard und Gort eine Antwort zu geben. Da er aber mit der belgischen Armee direkt in Verbindung steht, hat er die Überzeugung, dass seine Befehle Blanchard und über ihn, Gort erreicht haben. Der Beweis für die Zusammenarbeit zwischen Blanchard und Gort scheint daraus hervorzugehen, dass in der vergangenen Nacht eine französische Division eine englische Division abgelöst hat.

Regraded Unclassified

9.) General Weygand erfährt soeben von dem Abschub der schweren Einheiten der englischen Armeen aus Le Havre, was in der hinteren Front eine grosse moralische Verwirrung hervorruft. Wie ich selbst, ist auch er davon überrascht, dass er nicht vorher davon in Kenntnis gesetzt wurde.

10.) Sie werden, wie auch ich, die Meinung vertreten, dass sich in diesen schicksalschweren Stunden die einheitliche Führung mehr denn je zuvor durchsetzen muss und die Befehle des Generals Weygand ausgeführt werden müssen.

11.) General Weygand ist davon überzeugt, dass sein Plan nur dann von Erfolg gekrönt werden kann, wenn die belgische Armee und die Armeen Blanchard und Gort von dem fanatischen Willen erfüllt sind, einen Ausfall zu unternehmen, der allein sie retten kann.

Dokument Nr 17.

Telegramm von General Weygand an den französischen Militärattaché in London vom 28. Mai 1940.
Notwendigkeit des Einsatzes der britischen Luftwaffe in Dünkirchen.
P.C. 28. Mai 1940. No 565 CAB / D.N.

Der Oberbefehlshaber General Weygand an General Lelong französischer Militärattaché in London.

Der Kommandierende Admiral in Dünkirchen betont die Notwendigkeit eines nachdrücklichen Schutzes durch Luft und Seestreitkräfte zur Sicherung des Nachschubs und der teilweisen Evakuierung der in der Verteidigung des Brückenkopfes Dünkirchen kämpfenden Truppe. Ich zweifle nicht, dass diese Notwendigkeit von den britischen Behörden verstanden wird. Ich bitte jedoch, erneut bei Ihnen vorstellig zu werden, damit alles unternommen wird, um diese Gedanken zu verwirklichen.

General Weygand.

(Verziffert und abgesandt den 28. Mai 1940 um 18.10 Uhr unter Nr 29)

Dokument Nr 18.

Telegramm von General Weygand an das britische Oberkommando vom 30. Mai 1940.

Inständige Bitte, die britische Luftwaffe, die nach England zurückgekehrt ist, wieder in Frankreich zu stationieren, damit sie in die neu entstehende Schlacht eingreifen kann. Das ganze Gewicht der Schlacht fällt sonst auf Frankreich.

Geheim. 30. Mai 1940. No 1272/3 - F.T.

Arcole an Brumaire:

Regraded Unclassified

Bitte dem britischen Oberkommando sofort folgendes mitzuteilen:

Der Leiter der britischen Militärmission hat am 29. Mai dem General Georges mitgeteilt, dass die britische Regierung beabsichtige, den Kampf in Frankreich an der Seite der französischen Armee fortzusetzen. Die Panzerdivision und die 51. Division verbleiben in Frankreich unter dem Befehl des französischen Oberkommandos und werden sobald wie möglich eine Verstärkung erfahren. Die britische Luftwaffe verbleibt in Frankreich. Der Oberkommandierende Weygand dankt dem britischen Oberkommando für diesesn Beweis der Solidarität, er glaubt jedoch, die Aufmerksamkeit der Generalstabschefs auf die Lage der in Frankreich verbliebenen britischen Luftwaffeneinheiten lenken zu müssen. Gegenwärtig verbleiben auf unserem Staatsgebiet nur drei Jagdgeschwader. Alle anderen sind nach England zurückgekehrt. Nach der Beendigung der Schlacht in Flandern sind die zuletzt genannten Geschwader ausserstande, in die neue Schlacht einzugreifen, die möglicherweise an der Somme - Front, in der Champagne oder an der Maas beginnt. Das ganze Gewicht der Schlacht fällt somit auf das französische Heer, das enormes aushalten muss.

Der französische Oberkommandierende bittet das britische Oberkommando inständig, die Schwere dieser Lage begreifen zu wollen und alle Massnahmen zu ergreifen, damit sofort ein erheblicher Teil der britischen Luftwaffe insbesondere Jäger als Bereitschaft für die bevorstehende Schlacht in Frankreich stationiert werden können.

Weygand.

Dokument Nr 19.

Telegramm von General Weygand an das britische Oberkommando vom 2. Juni 1940.

Dringendste Bitte, Flotte und Luftwaffe in Dünkirchen einzusetzen, damit französische Nachhut nicht geopfert wird.

Nr.1328/3 F.T. 2.Juni 1940

Areole an Brumaire.

Bitte sofort beim britischen Oberkommando zwecks nachfolgender Mitteilung vorstellig werden:

Admiral Nord hat heute Morgen telegraphiert, dass ausser den 45 000 Franzosen die Brückenkopf Dünkirchen verteidigen, noch ungefähr 22 000 weitere Franzosen verbleiben. Alle Engländer werden heute Abend abtransportiert. Da zu hoffen ist, dass in der folgenden Nacht diese 22 000 Mann abtransportiert werden können, verbleiben morgen früh noch 25 000 Verteidiger. Aus diesen Gründen hat Admiral Nord erklärt,

Regraded Unclassified

dass er in Dünkirchen bleibe und die Sperrung der Hafeneinfahrt aufschiebe. Er verlangt, dass ihm morgen -Montag- Abend sämtliche britischen Wasser- und Luftfahrzeuge zur Verfügung gestellt werden, um die 25 000 Mann abzutransportieren, die durch ihr Ausharren die Einschiffung der letzten britischen Kontingente ermöglicht haben. Bitte in der dringendsten Form namens des Oberkommandierenden für die Erfüllung der Bitte des Admirals Nord einzutreten.

Weiset darauf hin, dass die Solidarität der beiden Armeen erfordert, dass die französische Nachhut nicht geopfert werden darf.

Dokument Nr.20.
Schreiben des Generals Weygand an Paul Reynaud vom 3. Juni 1940. Dringende Bitte, noch einmal auf Winston Churchill einzuwirken, damit britische Luftwaffe den französischen Truppen zur Hilfe kommt.

Anlage zu diesem Schreiben:
Bericht des Oberbefehlshabers der französischen Luftwaffe an General Weygand vom 3. Juni 1940, über die Notwendigkeit der sofortigen Entsendung von 10 britischen Jagdgeschwadern. Erfüllung dieser Forderung ist eine Frage von Leben oder Tod.

Grosses Hauptquartier der Oberbefehlshaber No.582 - CAB / D. N.
3. Juni 1940

Durchschlag. Streng geheim!

Herr Präsident.
Ich erlaube mir, Ihnen heute noch einen Brief zuzuleiten, den mir General Vuillemin geschrieben hat und den er als äusserst dringlich bezeichnet. Dieser Brief unterstützt den dringlichen Appell, den Sie Herrn Winston Churchill zugehen liessen. Seine Schlussfolgerung ist keineswegs übertrieben; sollen unsere Truppen nicht mit zu ungleichen Waffen morgen in die Schlacht gehen, so brauchen sie die Unterstützung einer starken Jagdfliegerei. Keiner, der an den letzten Schlachten teilgenommen hat, wird dies bestreiten. Unsere eigene Luftwaffe ist nicht in der Lage, unseren Truppen diese unerlässliche Unterstützung zu gewähren.

In Anbetracht des Ernstes der Lage bitte ich Sie, noch einmal auf den britischen Premierminister einwirken zu wollen. Der Brief des Generals Vuillemin ist bereits dem Oberbefehlshaber der britischen Luftwaffe in Frankreich und dem Chef der französischen Mission beim britischen Luftfahrtministerium zur Kenntnis gebracht worden. Genehmigen Sie, Herr Präsident, usw.

gez. Weygand

Regraded Unclassified

Der Oberbefehlshaber der Luftwaffe Generalstab D. Büro NN.3987-3/O. S. 3. Juni 1940.
Eiligst! Streng geheim!
Herr General Vuillemin als Oberbefehlshaber der Luftwaffe an den Oberbefehlshaber und Chef des Generalstabes der Nationalen Verteidigung, Oberbefehlshaber auf allen Kriegsschauplätzen. (Kabinett - Generalstab - 3. Büro)

Mit Schreiben No.3906-3/O E.L.G. vom 31.Mai 1940 habe ich Sie gebeten, auf das dringlichste bei den obersten britischen Behörden vorstellig zu werden, um von ihnen einen massierten Jagdfliegereinsatz in Frankreich zu erreichen. Die Entwicklung der Ereignisse, die z.Zt. in Richtung auf ein Eingreifen starker deutscher Bomberverbände im Südosten und die Möglichkeit des unmittelbar bevorstehenden Kriegseintritts Italiens geht, verstärkt noch den kritischen Charakter der Situation, die ich Ihnen beschrieben habe.

Ich beehre mich, meinen Gedankengang zu diesem Thema wie folgt darzulegen: Wenn der Feind, wie zu erwarten steht, binnen kurzem einen neuen massierten Panzer- und Luftwaffeneinsatz gegen die z.Zt. im Aufbau befindliche neue Defensivfront durchführt, so steht durchaus zu erwarten, dass er von neuem unsere Stellung eindrückt und einen schnellen und tiefen Einbruch durchführt, den wir nicht mehr aufhalten können, wenn wir nicht in der Lage sind, schon zu Beginn des Angriffs die feindlichen Bomberkräfte durch einen massierten Einsatz der alliierten Jagdfliegerverbände auszuschalten.
Ein derartiger massierter Einsatz setzt die Unterstützung mindestens der Hälfte der auf englischen Flughäfen stationierten Luftwaffe voraus.
Dies ist umso notwendiger, als die deutsche Aktion im Südosten und der mögliche Kriegseintritt Italiens mich in Anbetracht der ausserordentlich schwachen Mittel im Südosten und in Nordafrika bereits erzwungen haben, Teile der Luftwaffe nach dem Südosten abzukommandieren.
Diese im Verhältnis zu der möglichen Gefahr lächerlich geringen Kommandos würden nach dem Kriegseintritt Italiens verstärkt werden müssen, wenn nicht unser ganzer Südosten ohne Verteidigung einer italienischen Aktion ausgeliefert werden soll. Eine solche Aktion könnte ebenfalls Angriffe mit Panzerwagen und Luftwaffe zugleich umfassen und könnte gut denselben Erfolg haben wie der deutsche Angriff im Nordosten. Ich brauche den Ernst der oben geschilderten Gesamtlage nicht zu unterstreichen, wenn wir nicht von den obersten britischen Behörden die geforderte Unterstützung vollständig und unverzüglich erhalten, so erscheint es wahrscheinlich, dass die französischen Kräfte geschlagen werden und der Krieg für Grossbritannien und für Frankreich verloren geht. Da der Feind sich den Zeitpunkt des Angriffs aussuchen kann, so kann die geforderte Unterstützung nur dann

Regraded Unclassified

als unmittelbar bezeichnet werden, wenn die britischen Jägerverbände im Voraus in Frankreich stationiert werden. Ich habe daher die Ehre Sie zu bitten, bei den obersten britischen Behörden vorstellig zu werden, damit die Unterstützung nach folgenden Gesichtspunkten erfolgt:

Erstens. Augenblickliche Entsendung von 10 britischen Jagdgeschwadern, die in der Gegend von Evreux Dreux stationiert werden sollen und zur Unterstützung der Landkräfte westlich des französischen Aufmarsches zwischen der Linie Pontoise Peronne und dem Meere eingesetzt werden können. Dies würde mich in die Lage versetzen, stärkere Kräfte für die übrige Front bereitzuhalten, wobei auch die nach dem Südosten zu kommandierenden Einheiten zu berücksichtigen sind.

Zweitens. Vorbereitungen für die stark beschleunigte Entsendung nach Frankreich von weiteren 10 Jagdgeschwadern, die vom ersten Schlachttage ab auf dem schon von den Briten besetzten Gebiet zu stationieren wären.

Drittens. Da diese Geschwader auf bereits von den Briten und Franzosen besetzten Stützpunkten zu stationieren wären, brauchte ihr Nachschub keine Bewegungen vorzunehmen. Wenn tatsächlich der Feind den strategischen Fehler machen sollte, ohne vorherige erneute Offensivhandlungen gegen Frankreich anzugreifen, so könnten diese Geschwader England noch am gleichen Tage auf ihre englischen Stützpunkte zurückkehren. Ausserdem würden sie auf diese Weise vermutlich der planmässigen Bombardierung der Jagdfliegerstützpunkte in England entgangen sein, mit denen der Feind sicherlich seine Operationen gegen England einleiten wird. Ich möchte noch einmal betonen, dass es für Grossbritannien wie auch für Frankreich eine Frage von Leben oder Tod ist, ob diese Forderungen unverzüglich erfüllt werden.

Der Oberbefehlshaber der Luftwaffe

Vuillemin .

Regraded Unclassified

DISTRIBUTION OF COPIES OF TRANSLATION

1 - President
1 - British Ambassador
1 - Dr. White
2 - Mr. Irey
1 - Diary
1 - Extra

Regraded Unclassified

435

This translation has not been finally corrected.

Regraded Unclassified

[redacted]

[redacted]

[redacted]

Regraded Unclassified

Sensational Discoveries on the Loire

The Secret Political Documents of the French General Staff are Captured

It is officially announced: Our troops have made a great discovery. In the small town of La Charité on the Loire, a small reconnaissance group captured the secret political documents of the French General Staff in a half destroyed airplane. The documents found here are of such importance that their publication must be regarded as the greatest sensation of this kind. They disclose with an almost unprecedented clarity the cynical aims for spreading the war of England and France.

Everything which was suspected or inferred, on the German side, with regard to these plans and which has been supported by the documents found up until now, becomes astonishingly clarified, in its large outlines, through these documents.

On account of their own weakness and because of the lack of preparation on the part of England and France, the small peoples of Europe were to be led systematically to the shambles. It was aimed to subjugate Germany in two ways. First, through cutting off Germany from the Swedish iron mines or through their destruction. Further, through the destruction both of Rumanian oil and of the Soviet Russian oil fields of Baku and Batum. Second, through bringing Scandinavia into the war against Germany, whereby it was desired to gain 10 divisions against

Regraded Unclassified

Germany and through bringing in Rumania, Turkey, Greece and Yugoslavia, whereby it was hoped to mobilize 100 divisions against Germany. This was called, cleverly, the strategy of the "Front Durare" (Attrition Front) against the German army.

For a long time both of these actions were decided things. Only the incompetence and the lack of decision of the enemy leadership and the lightning quick blows of the German army have frustrated these plans.

Rightly did General Gamelin, in a discovered note of May 12, 1940, order the greatest precautions for keeping these documents of the General Staff secret for "if one of these documents should fall into the hands of the enemy" the German High Command will "thereby receive political instruments which it would employ against the Allies."

A truly classic document of unscrupulousness. The General Staff of the French was clear with regard to the catastrophic results which the publication of these documents must have upon English and French policy.

The Foreign Office has undertaken an assemblage of these documents in its White Book No. 6. In consideration of the momentous importance, however, today before the publication of the White Book, there is hereby begun an attempt to put before the public a preliminary series of these documents. A game of intrigue is hereby disclosed, such as the world has hardly heretofore seen. The documents speak for themselves.

Regraded Unclassified

Document No. 1

Telegram of General Weygand to General Gamelin, March 7, 1940.

England prepares for the bombardment of the oil fields of Baku and Batum. - English and French officers explore the necessary air fields, in civilian dress, as persons interested in petroleum.

General Headquarters of the Eastern Mediterranean Operation Area.

The General No. 295 3/6 March 7, 1940 Strictly Confidential

(Copy)

General Weygand to the Commander of the Military Forces and Chief of the General Staff of Defense.

Air Marshal Mitchell, Commander of the Air Force of the Middle East, who today came to Beyreuth, in the company of General Jamecourt, on the way to Ankara, has informed me that he has received information from London regarding the preparations for the eventual bombardment of Baku and Batum. He explained to me that he intended to ask Marshal Cakmak for the permission to explore air fields in the area of Diabekir, Erzerum, Kars and the Van See, which can serve as intermediary landing places for airplanes which have their principal base in Djezireh. Air Marshal Mitchell asked me for permission to explore our air fields in Djezireh because the political condition of Irak,

Regraded Unclassified

those independence is recognized, is not such as makes possible the use of the air fields of that sovereign territory without danger of complications. I am honored to inform you that I consented to the request of the Air Marshal. The surveys will shortly be undertaken by British and French officers, both in civilian dress. Thereby the impression will be given that the affair is one of work relating to the exploitation of the oil bearing strata of this area.

Weygand

Regraded Unclassified

141

Document No. 2

Note of General Gamelin of March 10, 1940

Plans of the Allies for the creation of new fronts in the Scandinavians and in the Balkans. -- The Divisions of the Scandinavians and Balkan countries shall fight for the Allies

---

No. 104/1 - Strictly confidential - March 10, 1940

Note concerning the participation of French and British forces in the operations in Finland.

With the beginning of the hostilities between Finland and Soviet Russia on the 30th of November, 1939, the French and British Governments have expressed their wills to give practical and quick help in Finland through the delivery of airplanes and munitions. The first shipments of the material began on the 20th of December. The French High Command, for its part, without delay has concerned itself to realise the desire of Marshal Mannerheim, insofar as -- apart from the volunteer shipments of materials and the shipments that the Marshal has already received -- French forces can be placed in the operations. For this purpose, Commander Genoval was sent to the Finnish General. He left France on December 20, 1939 for Helsinki and came back on the 20th of January in 1940.

On January 16, the French High Command worked on a general plan for armed intervention in Finland. This plan particularly

Regraded Unclassified

looked forward to the landing of Allied troops in Petsamo. At the same time, the harbors and air fields of the Norwegian west coast were, should the occasion arise, to be taken over as a precautionary measure by the Allies. The plan was, furthermore, that on the basis of the results once achieved, the operations should if possible be extended toward Sweden and that the iron mines of Gallivare, which are valuable sources for iron shipment to Germany, should be occupied. Through this operation, there should at the same time, be a new connection made between Narvik and Lulea. The plan for the operation at Petsamo coincided with the one that Marshal Mannerheim placed before Commander Ganeval.

At the semi-official conversations the British High Command seemed to share our views. At the inter-Allied military conversations of January 31 and February 1, which preceded the meeting of the Supreme Council of February 5, the English pushed the question of direct help for Finland back to a secondary position. They showed themselves to be convinced supporters of an expedition against the northern Swedish iron mines, which, at least in the beginning, would have made the transference of a part of the engaged forces to Finland merely a side show. Thereby, the expedition against Petsamo was abandoned for practical purposes. It had only a secondary and subsequent character. This view achieved a majority in the Supreme Council. The preparation of the Scandinavian expedition was immediately taken in hand, and the French and British forces were ready to be transported from the first days in March.

Regraded Unclassified

The first group of French forces (an Alpine Rifle Brigade) was ready to leave its garrison on the 26th of February and could have been embarked anytime from the first of March. For the case of a sudden blow on Petsamo, it would have been possible to send an advanced guard much earlier. The leadership of the operations envisaged in Scandinavia was given over to the British High Command. This could apparently not be decided any other way. The equipment for the expeditionary force on the one hand, and its reinforcements, on the other hand, needed to depend on communications which passed through the zone of the British sea command. The protection of these transports depended, of course, on British sea forces. Furthermore, the French Navy cannot be everywhere at the same time. The Mediterranean, the Atlantic coast of France and Africa remain its natural sphere. Quite apart from the task which devolves upon it for the protection of the convoys from America.

It must also be recalled that the participation of the French military forces in the Norwegian operations can at present be only a limited one. The French army is forced to keep its mass on the northeastern front where it stands against the mass of German forces. The French army is furthermore obligated to keep the watch against Italy on the Alpine front and in North Africa. The French army has furthermore a vanguard in the Near East. It can, therefore, under present circumstances, make available only limited contingents for areas of operation lying outside these spheres.

Regraded Unclassified

In the air, France can make only a limited contribution on account of the present condition of the French air force.

The opening of a northern battle field has a primary interest from the standpoint of the conduct of the war. Apart from the moral consequences the blockade becomes more comprehensive and above all, the blocking of the transport of iron ore to Germany, which is of consequence. In this connection, an operation in the Balkans, if it could be combined with the Scandinavian undertaking, would be calculated to increase the economic pressure on Germany. Germany would then have only one way out from the blockade, namely over her frontier with Soviet Russia, and in this connection it must be noted that it will take a long time to exploit the Russian sources of raw materials.

On the military plane, an action in the Balkans (this question remains naturally tied up with the position of Italy), would be much more profitable to France than a similar one in Scandinavia: the battle field would be enlarged on a great scale; Yugoslavia, Rumania, Greece and Turkey would bring us reenforcements of almost 100 divisions.

So far the question of petroleum has not been considered. It is necessary to consider the petroleum resources of Rumania and of Transcaucasia which can be defended or destroyed. Sweden and Norway would give us only a weak support of about 10 divisions. The troops which the Germans would have to withdraw from the western front to counter our undertaking would doubtless be of about the same proportions.

Regraded Unclassified

The advantages of opening a Scandinavian battle front remain nonetheless unquestionable. Nevertheless, the technical difficulties which come with such an undertaking must not be overlooked.

In the sphere of sea fighting, operations in the Baltic are practically excluded for us. Our communications go over the North Sea from Scotland to Norway. This line of communication is substantially longer than the German one between Stettin and the south coast of Sweden. Our line of communication must be protected against the German submarines and bombers. It must be recalled that the time of year in which the Gulf of Bothnia is free of ice gives the Germans the greatest advantages for landing in Finland and not only on the south coast, but also on the west coast and on the east coast of Sweden. For the conduct of land warfare, it is to be noted that the Norwegian harbors and especially Narvik have only very limited cover. They are badly equipped for the disembarkation of troops and reenforcements. The railroads which run from Narvik and Drontheim to Lulea can carry only limited traffic. This traffic figure narrows further if one pushes forward to Finland, for then there is only one railroad line available, of which Lulea is the starting point and which runs around the Bothnian coast. This is true under the assumption that the Swedes leave us their railroad material.

The climate of Finland and especially Lapland is extraordinarily severe. France-British forces can be stationed

Regraded Unclassified

there only if they are chosen very carefully. Until the end of May it is necessary that they have special equipment. French pack and draft animals, aside from mules, cannot become acclimated there.

Furthermore, the supply of provisions and especially of wine, for our troops presents an extraordinarily difficult problem to solve.

From the foregoing, it is apparent that -- taking for granted a rapid if not dangerless landing (possible action of enemy U-boats and bombers) in Norway -- the entry into action of our forces in Finland can follow only very slowly.

In the sphere of air force, it appears that help for Finland is most quickly and easily possible through the dispatch of bombers with long range, assuming -- as also with respect to a landing in Petsamo -- that it has been decided in favor of an opening of military operations against Soviet Russia. Such support seems the only way of helping Finland before the appearance of land forces.

This assistance can, however, be sent only by the English because our air force does not yet have bombers of this newer type in large enough numbers to undertake this work. Before all else, no airplanes which can be withdrawn from their eventual work in France. In the sphere of fighter planes, help for Finland, upon which in this case particular value is placed, is necessarily even more difficult. Fighter planes must be supplied by sea. They must be dismounted in Sweden and assembled again in Finland. It must be noted also that

Regraded Unclassified

a landing in Petsamo under present conditions must be judged quite differently than two months ago. The Russians have received notable reinforcements in this region. They have pushed forward in a broad front towards the south from Petsamo. Hangars have been prepared. Possibly a land connection with Murmansk has been established. Finally, the Russians have spotted the coast with defenses and above all, have brought up heavy artillery. On the other hand, the Finns are now entirely out of condition to assist a landing of Allied contingents through a comprehensive land operation as was originally expected. Following up the shipments of material which have been carried on since the month of December, help for Finland can now be developed through a military undertaking involving the sending of Allied troops. Aside from the French and Polish contingents (13,000 men) the English have considered sending from 6 to 7 divisions -- with regard to this I have had thoroughly reliable information which was given me by General Ironside.

The estimate of the troops' strength comes from him; the agreement of the War Cabinet has not yet been received. The total combat forces, therefore, makes up at the very least, 150,000 men. The estimate, which includes all the British troops of the new levy -- one active division must be taken away from the troops now in France --, no increase is possible when one considers the difficulties of transport and the cover possibilities of the Norwegian harbors.

Regraded Unclassified

The transport of the troops involves in itself already notable delays. It is a matter of several months. Therefore, it is now impossible to make any conclusions with regard to the increase of these troop numbers. In 2 or 3 months, no doubt, the condition on the French front will be clearer, and we will then be in condition to supply the means for a more comprehensive decision.

The technical difficulties of an Allied intervention must not be left out of account. They are not insuperable and will, should the occasion arise, be removed from the way. Hand-written note of the Generals: Our Scandinavian plans must be carried forth with decision. For the saving of Finland or for the very least to take over the Swedish iron ore and the Norwegian harbors. We, nevertheless, express that from the standpoint of the conduct of military operations, the Balkans and the Caucasus, from which it is possible also to deprive Germany of petroleum is much more important. However, Italy holds the key of the Balkans in her hand.

(Signed) M. Gamelin

Regraded Unclassified

Document No. 3

Telegram of General Gamelin to General Weygand of March 12, 1940

The operations planned by the Allies shall be directed by the British High Command in the middle east and by the Turkish High Command in the Caucasus.

Carbon Copy - Project - Secret - No. CAB / DN
March 12, 1940.

Berlioz to Cesar Franck - Answer to telegram 1 236

The note of March 7th appended to my letter 293 - CAB / DN informed you of the general judgment which I have placed before the President of the Council of Ministers with regard to the operations in the Middle East and particularly with regard to possible operations in the Caucasus. In my opinion the operations in the Middle East must be directed by the British High Command and the operations in the Caucasus by the Turkish High Command, the latter to be conducted with Turkish forces assisted by aircraft and later special contingents of the Allies. You may enter into relations with Marshal Tschakmak with regard to this question and participate in all preparatory investigations with regard to the Middle East.

I am sending you by messenger a rounded discussion with regard to the action in the Caucasus.

General Gamelin

Regraded Unclassified

Document No. 4

Telegram of the French Ambassador Massigli in Ankara to the Foreign Office in Paris, March 14, 1940.

Conversation of the Ambassador with the Turkish Foreign Minister with regard to the bombing of Baku and Batum. -- The Ambassador expects no difficulties from the Turkish Government --.

(Translation)

Foreign Ministry No. 389 -- Ankara, March 14, 1940. Dispatched by messenger at 22:15 o'clock. Strictly secret.

In the course of the interview which I had yesterday with him, the Foreign Minister laid before me, at his own initiative, a telegram which came in during the night in which the Turkish representative in Moscow reported with regard to a discussion with the Ambassador of the United States. According to the opinions of the latter, the Russians are so disturbed with regard to the danger of a bombing and burning of the oil area of Baku that the Soviet Russian Administration asked American engineers whether and how a fire resulting from a bombardment could be successfully combated. The engineers are reported to have replied that on account of the manner in which the oil fields have heretofore been exploited, the ground

Regraded Unclassified

is so saturated with oil that a fire would undoubtedly spread over the whole neighboring area. It would take months before it would be possible to put it out and a year before operations could be undertaken again. With regard to the safety of the population, the city should be moved for that purpose about 50 kilometers further away.

"What do you think about it?" said Saracglu to me. I answered that modern bombers no doubt had an effective radius of action to reach Baku from Djezireh or from northern Irak. It would be necessary, however, for that to fly over Turkish and Iranian territory.

"You are afraid then of an objection from Iran?" the Minister answered me. -- He could not have made it more clear to me that the difficulties will not come from the Turkish side. It would have been inept had I compelled him to express himself more definitely and therefore I did not go further into his statement. It is, nevertheless, very important and I permit myself to bring it to the attention of Your Excellency. I have also informed my English colleague with regard to this matter.

(Signed) Massigli

Regraded Unclassified

Document No. 5.

Note of General Gamelin of March 16, 1940.

The plans for the creation of new fronts become deeper. Germany and Soviet Russia are to be weakened economically through the cutting off of iron ore imports from Sweden and oil imports from Rumania. A strategy of 'attrition of the German fighting power' is to be followed.

(Translation) - General Headquarters -

Bureau of the Chief of the General Staff for National Defense and Commander-in-Chief of the Military Forces, March 16, 1940, - No. 385 CAB /D. N. - Strictly Secret.

Note with regard to the conduct of the war.

(Final draft with consideration to the statements of the Commander-in-Chief and of General Dumesnil)

Since the views which were explained in the 'War Plan for 1940' - sent to the President of the Council of Ministers by the message No. 290 CAB / D. N. of February 26, 1940 - remain the foundation of our conduct, it becomes necessary in view of the signing of the Russian-Finnish Armistice to determine which operations can be undertaken immediately to lead to important if not decisive blows against Germany.

Regraded Unclassified

On land, it appears at present very difficult to achieve results outside of the unpopulated areas. Therefore Germany must be forced to leave its present waiting position. The first thing which is necessary is a sharpening of the blockade. Along with the economic results which must be expected from it, an attempt must be made to realize the following objectives.

First: It can be in Germany's interest to spare Holland and Belgium because these nations make it possible for Germany to considerably circumvent the action of the blockade. It is also possible that a severe establishment of quotas for imports into Holland and Belgium may bring Germany to the position of making a quick end of the matter and attacking the Netherlands and Belgium for these countries can still bring Germany great advantages in an economic way.

Second: With regard to the Scandinavian countries, things are quite different. Belgium and Holland serve Germany principally as intermediary traders whereas Sweden supplies Germany with an indispensible raw material, namely iron. Efforts must be made to prevent such supply. A simple action would be to explain that the supply of certain important products, for instance iron, by neutral countries which border Germany amounts to support for Germany and would lead to reprisals. Sweden then would be able to supply its iron to Germany only under threat of blockade. Similarly Norway would be able to engage in the transit trade only under the same risk. If both countries cooperate, the goal is attained.

Regraded Unclassified

Otherwise their oceanic trade should be blockaded. On the face of such a state of affairs, Germany may decide to resort and may attack Sweden in a military way. That must find us ready for defense. For this purpose there must stand ready in France and England a first unit of military power ready to send to Scandinavia, whether as a counter blow or as a preventive measure.

Third: The cutting off of German imports of Russian oil. -- The cutting off of deliveries of Rumanian petroleum to Germany can at present be attained neither through the blockade nor through military operations. With regard to the Caucasus, the first question which arises is the opening of hostilities against the U. S. S. R. Further there is the problem of the cooperation of at least the agreement of Turkey. As in everything that happens in the East, the attitude of Italy can not be disregarded. Also the bombing of the oil supplies of Baku and Batum from the air can materially injure Germany's supply of gasoline. According to the inquiries made 9 air squadrons will be necessary for this task. The Command of the French Air Force is prepared to make available 5 squadrons and the rest must come from the Royal Air Force. These groups, which have their base in Djezireh, where the landing fields for this purpose either are ready or are being undertaken (in the northern part of the French Middle East) must also if possible have support points in Asiatic Turkey where fields are now subject of exploration.

Regraded Unclassified

The command of the French Air Force can already undertake a bombing operation in Transcaucasia after receiving notice of 14 days to a month and can undertake this operation with two squadrons of heavy bombers which can be supported with two squadrons of medium heavy bombers. These bombers should be withdrawn from the mother country if the condition of the French front permits. The operations in the air can be practically supported in the following way:

First, action of the fleets directed towards breaking communications in the Black Sea. French and British submarines should be entrusted this task. Their passage through the Straits will require the express or tacit approval of Turkey and they will need a base in the harbors of the Black Sea in Asia Minor.

Second, through action on land which can be carried out only by Turkey, which however can be supported through certain units of our middle eastern troops. Iran can also take part in these operations at the instance of Great Britain.

Fourth, with all consideration of the objections which were made to this policy in the course of the last meeting of the war council, there is an advantage in mining the rivers and undertaking this task with the medium of the air force as soon as possible. In this manner it will be possible to partially damage the interior transportation of Germany. It is necessary that the operations free the air force as soon

Regraded Unclassified

FC 456

as possible from the burden with which it is at present loaded. Altogether, the Russo-Finnish Armistice should make no difference in the basic objectives which we set for 1940. It must cause us however to act more quickly and more energetically. Through a completion of blockade measures and certain military operations we can not only draw the economic laces more tightly but also make it necessary for Germany to step out of her present passive military position.

The experiences of six months of war show that the neutrals fear Germany. Without confronting them as threateningly from our side, we must also let them know our power. Of course diplomatic and military conduct must be determined by the same energetic tone.

Regraded Unclassified

Document No. 6.

Telegram of the French Ambassador Massigli in Ankara to the Foreign Ministry in Paris, March 26, 1940.

In the action against Baku and Batum, the outward compromising of Turkey shall be avoided through skillful management.

Foreign Affairs, Plain Text, Reserve No. 661.
Telegram received in Ankara 26 March 1940.
Ankara, March 26. Received by messenger April 3 at 11:30 O'clock.
Strictly Secret.

I refer to the telegram to your Excellency No. 540-541. In my efforts in my earlier correspondence to explain the position of Turkey with regard to the Soviet Union (compare especially my dispatches No. 74 of February 24 and my telegrams 433 - 439 and 461) I emphasized that, in my opinion, it is useless to attempt to heat up Turkey against the Soviets, that on the other hand however it is possible to hope that we will be successful under certain circumstances in bringing Turkey to take a position against Russia in our wake. I see today no necessity of changing anything in the opinion which I expressed before the breakup of Finnish resistance. The Moscow peace will of course further increase Turkey's caution. However, people

Regraded Unclassified

are convinced here that the red army came out of this war in the north very much weakened -- which tends to cancel out. None the less, I saw no efforts to come closer to the Soviet Union. On the contrary, people are getting used to the idea of having to count on her enmity, which does not mean however, that the Turkish statesmen are prepared to get themselves into an adventure with an uncertain outcome. We must in fact take account of the circumstances that if the government in Ankara from now on has the conviction that Germany will not conquer the western powers, still many people in Turkey are not convinced that we will eventually win a clean cut victory. Many still believe that the Reich will receive from the tired out Allies the peace which it needs. Many believe -- and the Italian and the German propagandists exert themselves to convince them of this -- that, in spite of the strengthened determination of the governments in Paris and London, the war will end through a compromising peace. Then people must naturally consider here what the future may bring in the case that a peace which will leave the peoples of France and England dissatisfied and disillusioned, Turkey should have to stand against a Russia which had taken advantage of the lessons of the Finnish war to strengthen its military power. The government can not entirely ignore this state of the opinion.

Regraded Unclassified

These also are the sources of a large part of its present caution. Should we tomorrow clearly succeed on the western front even in a limited action, or should a German offensive in the grand manner break against our defense on the land or in the air, we would find the Turks more energetic and more ready for new undertakings. It must however unfortunately be added that the condition of our public life, quite independent of any military outlook, causes certain unrest here. The last sessions of Parliament left a bad impression. People were certainly impressed by the determination of your Excellency and your government to improve the state of affairs and not to allow French morale to sink, but there are people who are not uninfluenced by German and Italian agents and broadcasts and are not yet sure whether they will not be disappointed in their hopes, which are identical with ours. One must have the courage to say that the Turks at the present do not have the feeling of our irresistible superiority, no matter how great their sympathy for us may be. The majority believe that their fate is bound up with the fate of the western powers; the government is certainly firmly determined to maintain its obligations to us; but in the public mind there is no such opinion which would strengthen them to undertake initiatives which involve risks.

Regraded Unclassified

Before I comply with the requests of your Excellency, of which the general lines were shown me through telegrams yesterday, it seemed necessary to me to bring these important considerations to mind. They explain beforehand certain reservations which I must express or certain of the precautions which I had to emphasize. An air action against Baku and a sea action on the Black Sea have very different aspects from the Turkish point of view, both technically and politically.

First, an air attack on Baku from Djezireh necessitates flying over Turkish territory for over 800 kilometers, and furthermore it is necessary to fly over the mountain range between the Van Sea and the Caspian Sea, that is in Kurdistan, which is very little populated as a result of very severe police operations that were carried out there two or three years ago. No important population centers will be flown across, and the airplanes may very well pass unnoticed. Should they be seen, then at most they will be noticed by a few posts of police or gendarmes. Furthermore, through a turning toward the west and a cross flight through the northern part of Iran, it is possible entirely to avoid flying over Turkish territory (and, especially if the point of departure should lie not in Djezireh but in Irak). When I confront this factual situation with the remarks of Saracoglu which are contained in my telegram No. 589, I

come to the conclusion that a prior information of the Turkish government and a request for permission to fly over its territory would bring them unnecessary embarrassment. It is necessary to place them if not before the completed fact then before a situation which will arise immediately and to delay the time for informing them about what is going on (I mean thereby informing them officially, for the confidential relations which we have with her as with the High Command would forbid that they be left entirely in the dark). The operation must actually be in course/so that we can excuse ourselves when planes in the course of their flight have to cross through Turkish air. Far from insulting the Turkish regime, our reserve will actually lighten their work. Should the Soviet government make a protest, then it is desirable that Ankara be in a position to explain that it had nothing to do with these facts. When flying over her territory had actually taken place, then it would not be bad were we to receive a discrete protest. Should the circumstances become worse, and should the Soviet Union react through military measures, then it would be necessary that the Turkish regime be in a position to explain to the General Assembly that the initiative for the attack was the responsibility of Moscow. In this case the agreement of public opinion of the country with the Turkish government would be made certain. But precisely because a reaction from the Soviet Union is to be

Regraded Unclassified

expected, we must be circumspect not to undertake any such action without taking into account its possible effects on Turkey, and on account of this we must also become clear with regards to the situation which this country must confront.

It is not my affair to express myself over this question. I must nevertheless note that on the eastern tableland there is still winter and that the necessary landing fields can not yet be explored and prepared. Furthermore, I must note that according to my knowledge protection against air attacks on the coal fields at Zonguldak and the steel works in Karabuk are not yet ready because certain English materials have not yet been delivered. In my opinion it would show a great lack of foresight to expose two such important points of the Turkish economy to air attack from Sebastopol. I should be very much surprised if the military experts did not need a delay for several weeks to make all the necessary preparations.

Second. The question of the Black Sea, and of the facilitation which shipping in its waters receives as a result of the close cooperation of the Soviets for the supplying of Germany, has engaged my attention.

I permitted myself on the morning after the conclusion of the Anglo-French-Turkish treaty (telegram 1969 of October 23, 1939) to allude to it. It must unfortunately be recognised that a solution of the problem is not easy to find. According

Regraded Unclassified

to the stipulations of the Straits Convention, the allied powers as belligerents are justified in sending warships into the Black Sea only in fulfillment of a decision of the League of Nations, or in application of a mutual assistance pact concluded in the sphere of the League registered in Geneva and binding Turkey, or when Turkey itself is a belligerent, or when Turkey feels herself threatened by danger of war and asks assistance from the allied powers. At present none of these conditions is fulfilled. Our entry into the Black Sea can therefore follow only -- as your Excellency will note, on the basis of a benevolent decision of Turkey, which -- and we must be clear about this -- will contradict the obligations assumed at Montreux and may therefore bring a protest from a power which signed the convention like the Soviet Union, or Italy who agreed to the convention like the Soviet Union, or Italy who agreed to the convention. The last mentioned powers may in this case very well play the German game. Into the bargain, even if no military steps are taken against Soviet territory, war ships, or merchant ships, the Soviet Union might take the opening of the Straits by allied cruisers as an unfriendly manifestation and herself undertake counter measures. The possibility of the outbreak of hostilities as a result of our initiative is therefore in no way excluded, and this circumstance will obligate us as in the

Regraded Unclassified

The Turkish Government is in my opinion not ready at this time, as a result of the reasons explained above, to go so far as this. Is it possible to foresee operations of another kind? If it is almost impossible to conduct control operations systematically on the Black Sea without question participation of Turkey, then it is also not possible to expect -- unless one expects more from this power than to close its eyes -- that submarines would go b night through the Straits to carry on quick combat journies in the Black Sea which would have the objective of disturbing sea traffic and German shipping, and to sink ships which from their cargo are clearly destined for Germany.

I only touch on the question. If the operation were technically possible, then it would from a political point ov view encounter fewer obstacles than an intervention of allied cruisers because Turkey could then say that she was kept uninformed with regard to our plans. However, we must be quite clear about the matter that even such a limited operation would XXXX place the Turkish regime in a delicate position and we cannot undertake such operations without taking into account their consequences upon this country. Therefore we must return to the facts about the condition of Turkish armaments which we have set forth above.

I come to the conclusion that under present conditions, and after a period to be established by the experts, operations

Regraded Unclassified

previously considered case to concern ourselves with the consequences which the planned initiative might have from the standpoint of Turkish defense.

Therefore it will be necessary to have the same precautions and delays which the operation against Baku seems to bring with it. What furtherfore is the outlook for control action in the Black Sea? The number of German merchant ships which have taken refuge in Bulgarian harbors is evidently limited (apparently 6). The direct action of an allied raid against shipping under the German flag would therefore be of very short duration. It will therefore be principally a matter of controlling Russian, Bulgarian or Italian ships, and to make control examinations so as to hold up Russian and Italian tankers and to establish a control over the ships which ply between Caucasian harbors and the mouths of the Danube or the Bulgarian Coast. All of these are operations which cannot be conducted particularly successfully on the high sea. The closed ships must be brought to a base to be examined there and to disembark the confiscated goods. Where can this base be if not in a Turkish harbor? Discrete assistance will not be successful. This means therefore that Turkey will be directly bound up with the action of the Allies and that Germany will be able rightly to regard her as a belligerent power.

Regraded Unclassified

without taking into account their consequences upon this country. Therefore we must return to the facts about the condition of Turkish armaments which we have set forth above.

I come to the conclusion that under present conditions, and after a period to be established by the experts, operations against Baku are the easiest to organize and especially to the extent that we take into account Turkish conditions. Furthermore, its success will have such consequences and will so weaken Russian action that the Turkish regime, as a result of the successful consequence of the operation, will feel itself enheartened by our success and will give us the necessary assistance more willingly so that operations of shipping control on the Black sea can take place under more favorable circumstances.

(Signed) Maccigli

Regraded Unclassified

Document No. 7

Note of the French Prime Minister Daladier of January 19, 1940. General Gamelin is to prepare a memorandum on the destruction of the Russian oil fields.

Copy of the handwritten note of Prime Minister Daladier of January 19, 1940. General Gamelin and Admiral Darlan are asked to work out a memorandum with regard to an eventual intervention for the destruction of the Russian oil fields.

Case No. 1: Breaking off of the oil tankers bound for Germany in the Black Sea. It is a matter principally of German shipping. In this case Russia would not be brought into the war.

Case No. 2: Direct intervention in the Caucasus.

Case No. 3: Without direct action against Russia, measures taken to assist the self-determination efforts of the Mohammedan population groups in the Caucasus.

Regraded Unclassified

Document No. 6

Note on a conversation between the French and English Air General Staffs of the 5th of April, 1940.

Franco-British plan of operation for an air attack on Batum and Baku. A third of the refineries and of the harbor storage tanks to be destroyed in six days.

Very secret!

Air attack on the oil fields of the Caucasus. Agreement reached in the chief headquarters of the Air Force, 5th of April, 1940.

The Franco-British air attack on the Caucasus petroleum is aimed exclusively at the refineries and harbor storage tanks of Batum - Ptoi - Grozny - Baku.

It can be estimated that within the first six days, 30 to 35 of the 100 refineries and harbor storage tanks of the Caucasus will be destroyed. The airplane material to be applied includes 90 to 100 airplanes which will be composed of 6 French flying groups and 3 British squadrons. The French groups will be so equipped that they will be able to attack Baku on the

Regraded Unclassified

fore-appointed date. They are composed of two Farman 221 groups and 4 Glen Martin groups, provided with reserve tanks. On each flight against the enemy, they can drop a total of 70 tons of bombs on about 100 known refineries. Enemy counter-action and the probable presence of German pursuit planes will diminish the effectiveness of this operation to a considerable extent.

Regraded Unclassified

Document No. 9.

Report of General Weygand to the High Command of the French Air Force of the 17th of April, 1940.

Air action against the Russian oil fields in the Caucasus is prepared for the end of July, 1940. The High Command of the Eastern Mediterranean, 17th of April 1940.

Secret!

General Weygand to Commander-in-Chief Gamelin, Commander-in-Chief of the Land Force, and to Commander-in-Chief of the Air Force Vuillemin.

The preparations for the bombardment of the Caucasus oil fields are so far advanced that the time in which this operation can be carried through can be estimated.

Rigid adherence to a time-schedule is not offered here. The undertaking does not need for this purpose the making of an agreement with the conclusion of which has moreover been shown to be impossible. The French Ambassador to Turkey has accurately informed the Government on this question. At present, there can be no talk of assent for flight over Turkish territory, still less of a preparation of air bases which could serve as a spring-board. Further, other help is not to be expected.

The transport of material for joint requirement goes by the Aleppo-Nisibine railroad. An advance demarche for the use of

Regraded Unclassified

this track insofar as it concerns Turkish territory is not required, as our previous agreements give us every freedom in this connection. In the estimate of the period of time, the following are to be considered:

(a) The preparation of air bases. At this time of the year only light work is required, its duration is estimated at 14 days.

(b) Work on the railroad and on the filling up of the depots (sidings, rails, telegraph lines). Duration: 14 to 20 days.

(c) Transport of rolling stock, munitions, troops, and wagon parks for the French combatant forces requires 56 trains. This means a period of 14 days on the assumption of 4 trains a day. The same time is required for the English soldiers.

Consequently 30 days are needed altogether. It must be noted that (a) and (b) can be simultaneously carried out so that at least 45 to 50 days are necessary. It is assumed that the railroad material and that the British and French reenforcements can be placed on the march immediately. In addition to this period of time, the time required for the assemblage and arrival of the bombers must also be considered. With respect to the French squadrons, it is to be noted that at present none are ready for setting out. According to all the probabilities, the groups of Farman-night bombers which have been in long service can arrive here quickly. On the other hand,

Regraded Unclassified

172

the group of bombers which belongs to the Middle Eastern air force now at last has the first airplanes of the Glen-Martin type. According to the statements of the Air High Command itself, 2-1/2 to 3 months are essential in order to train the pilots to put them in a position to take part in a military operation so that the available material is used to the highest degree. Probably the remaining groups of the Glen-Martin type which are expected from France and from North Africa are in approximately a corresponding state. The Vice-Air Marshal and Commander of the British Air Force in the Middle East was very confused when he was asked about the answer as he himself had not yet received the airplanes.

It must be noted that this estimate does not include the technical preparations for bombing attacks. This preparation includes the obtaining of air photographs, the selection of objectives, as well as of the most appropriate bombing materials, and finally the preparation of the airplanes for each particular attack.

Caution requires that the carrying out of the operation be considered only for the end of June or for the beginning of July, particularly when the absolute necessity of carrying through the undertaking when everything is ready is realized.

Only thus can decisive results be attained with the greatest possible mobilizations of power and the greatest speed. The operation itself need only last a few days and must consist in

Regraded Unclassified

mass bombardments of these points, the destruction of which through explosive or incendiary bombs is regarded as particularly effective.

Moreover the period of time indicated is also necessary for Turkey, as M. Macsigli has already brought out, as Turkey in the course of this period of time must put itself in a position which allows it to defy every enemy counter move which will possibly be unleased as the result of the bombardment.

The Commander-in-Chief of the Ehet Mediterranean Operations.

(Signed) Weygand.

Stamp of the Commander-in-Chief.

Regraded Unclassified

Document No. 10

Telegram from General Gamelin to British Air Marshal Newall of 15.5.1940.

Immediate dispatch of ten British pursuit squadrons asked for. F. C. 15 of May 1940. No. 528 CAB / D. H.

From Commander General Gamelin to Air Marshal Newall.
(Note in pencil: for General Lelong)

Consequent on the efforts of the French Government I make it clear that the number of pursuit squadrons immediate dispatch of which to Champagne is required amounts to ten. Here it is to be noted that in the case of Italy's entry into the war, France will be compelled to remove a part of its pursuit squadrons to south-east France and to Tunis. We will supply the requisite ground personnel. The details can be arranged through immediate agreement between General Vuillemin and Marshal Barratt.

General Gamelin

Regraded Unclassified

Document No. 11

Telegram from General Gamelin to Winston Churchill of 15.5.1940

The British Air Force must be put into military action.

Secret - P. C. the 16 May 1940 - NO. 529 CAB / D.N.

Commander-in-Chief General Gamelin to General Lelong for Mr. Winston Churchill.

I permit myself again to approach you in order to ask for the immediate dispatch of ten pursuit squadrons. The situation is very serious, naturally these ten pursuit squadrons will be stationed on the lower Seine where they have protection and whence they can be easily withdrawn again.

General Gamelin

(Deciphered and dispatched on the 16 May 1940 at 10:30)

Regraded Unclassified

Document No. 12

Telegram from General Gamelin to Winston Churchill - 16/5/40

Renewed request for immediate dispatch of ten British pursuit squadrons.

P. C. 16 May 1940, No. 531 GAB/D.N.

Commander-in-Chief General Gamelin to General Leleng for Mr. Winston Churchill.

I permit myself again to refer to the facts that -- the essential test of the British as of the French air forces now consists in operating on enemy troops with particular reference to these points which they must necessarily cross.

General Gamelin

(Deciphered and dispatched on the 16th of May, 1940, at 2:20 P.M.)

Regraded Unclassified

Kr 477

Document No. 13

Telegram from General Gamelin to Mr. Winston Churchill.
17 May 1940. No. 533 GAR/D.H.

Commander-in-Chief Gamelin to General Leleng for Mr. Winston Churchill on his arrival in London.

Our Giraud army will be placed south of Maubeuge before noon today. The fight is very hard. The consequences can be grave, not only for France but also for England. The course of battle threatens the communication lines of the British army. I again ask for the entry of the British Air Force in every way as a contribution to the battle. In particular, the placing of magnetic mines in the Maas would be very effective in order to disturb the strengthening and reinforcement of the enemy.

General Gamelin

(Deciphered and dispatched on the 17th of May at 9:25 A.M.)

Regraded Unclassified

Document No. 14

Protocol on the Session of the Allied High War Council of 22/5/40.

In the headquarters of General Weygand, who was appointed in the interim as Commander-in-Chief, with the participation of Winston Churchill and Premier Reynaud. Complete perplexity in the middle of the Battle of Flanders. Disorganization of the leadership, desperate plans in order to break through the pincers. Churchill agrees to put the air force into military action.

Presidium of the Council of Ministers. Copy. Very confidential.

Franco-British session of the 22nd of May 1940. Winston Churchill arrived at the chief headquarters about 12 o'clock. He was accompanied by the British Ambassador, General Sir John Dill, Vice-Marshall of the Air Force Pirs and General Ismay. Paul Reynaud was accompanied by Captain de Margerie. General Weygand received both Prime Ministers in the Map Room of his General Staff.

Colonel Simon explained: Two French divisions under the command of General Fagalde were at the extreme north on the Scheldt. The Belgian troops were following them roughly up to Audewarde. The British Expeditionary Corps was further to the South with four divisions, to which three divisions were

Regraded Unclassified

Regraded Unclassified

Document No. 14 (Cont.)

arriving in the neighborhood of Arras. Two British reserve divisions were around Lille. Linked with them was the first French army on whose flank the Cavalry Corps was stationed. General Billett, the Commander-in-Chief of the France-British-Belgian Army of the North, was in the hospital as a result of a serious motor accident. He had to give the command to General Blanchard, who in turn has been replaced by General Prioux. The latter had fought with distinction at the head of the Cavalry Corps.

Winston Churchill explained that a German armored division which broke through on the previous morning from Abbeville has passed Etaples in the direction of Boulogne. A wounded English officer who saw these German combatant forces travel by had estimated them as from 4,000 to 5,000 men. Approximately half of this unit which attacked from the North had since 4:30 P.M. been attacked by British air forces taking off from Great Britain and had been halted at Etaples.

Two battalions of guards, both of them from the remaining units of the active British Army in England, had landed in Boulogne with 4g tanks (?) Their task was to defend this town against eventual German attacks. Measures had also been undertaken for the defense of Calais and Dunkirk. It could therefore be assumed that these three harbors were secured against a surprise attack such as happened in Abbeville.

Document No. 14 (Cont.)

General Weygand confirmed the Prime Minister's statements. He added that there were three French infantry battalions in Calais and that the Commander of Dunkirk was a particularly capable Admiral who had the requisite forces for a successful defense of the town.

At this point, Colonel Simon continued with the general exposition of the situation. The Somme had clearly not been crossed on the other side of Ham (Translator's note, Rheims would appear to be indicated); the Germans occupied several bridgeheads, one of them in Peronne and another south of Amiens. A French Army under the command of General Frere occupies the space between the Oise and the Somme and was concentrating progressively in a westerly direction. It included eight divisions, of which four were complete while the remaining four were still being forwarded. This army received the order to carry through an attack to the North in order to liberate the Somme Valley. Further to the east were the armies of Touchon and Huntziger.

As far as the German armies were concerned, they had drawn up armored divisions in the front line at the critical points. Behind these units followed motorized divisions, behind these again the normal divisions which had been brought up by horse. It appeared as though the idea was to organize a number of infantry divisions around St. Quentin for defense.

Regraded Unclassified

Document No. 14 (Cont.)

In reply to a question from Winston Churchill, General Weygand explained that already great masses of enemy infantry were in contact with the Huntziger Army. He added that the first German attack had been and was taking place before their eyes and that it was proceeding according to a hitherto unknown formula with new weapons of war. The General was of the opinion that an offensive of the classical style with strong artillery support would follow this attack.

After the solution of the first question, they would have to deal with a second problem, the solution of which would not be less difficult especially as a violent enemy advance against the south, i.e., against the armies stationed in the Maginot Line, was to be expected.

General Weygand finally reported in broad outline on the results of his trip to the Front. The Commander-in-Chief explained that it was impossible to expect the Anglo-French-Belgian main groups, which were still in the north and included more than 40 divisions, simply to break through to the south and to make connections with the main French army. Such a manoeuver was fore-doomed to failure and the troops taking part had to reckon with certain loss. The situation demanded, on the contrary, that the available French and British forces under the cover of the Belgian Army, which undertook to cover

Regraded Unclassified

Document No. 14 (Cont.)

then from the East and, should the occasion present itself, from the north, carry forward an attack in the Cambrai Arras area and in the general direction of St. Quentin, to the south, and in this way fall on the flank of the German armored divisions, which were actually to be found in the St. Quentin sack.

At the same time, the French Army of General Frere, south of the Somme in the Beauvais area, was to gradually push forward to the north and thus strengthen the pressure on the enemy armored troops in the Amiens, Abbeville, and Arras area. The essential task consisted in subjecting these troops to permanent pressure, never allowing them the initiative, but always keeping them in motion, inflicting losses on them and endangering their rear positions. Only in this way could the withdrawal of the part of the army stationed in Belgium be carried through with success.

Unfortunately General Weygand could not discuss this question with General Gort on the previous day as the latter was out of the country. However, General Weygand had a long discussion with the King of Belgium and his General Staff.

There were two opinions on the task of the Belgian Army according to the Commander-in-Chief. The King had not yet decided for either of these opinions.

Regraded Unclassified

Document No. 14 (Cont.)

The first opinion, which General Weygand supported, consisted in commissioning the Belgian Army to withdraw from the Scheldt to the Yser and thereby take over covering the Franco-British forces which were advancing on St. Quentin. Actually the Belgian Army was in a dangerous position between the mouth of the Scheldt, Gent and Audenwarde. The support which it lent the remaining parts of the Army of the Western Front could likewise be well carried out from the Yser onwards by means of flooding. General Weygand moreover arranged the immediate release of the waters.

The other opinion was represented by General van Overstraeten, King Leopold's adjutant. According to this opinion, the Belgian Army had to remain in its previous position and to separate itself, if necessary, from the other Allied forces. Its problem was to defend the coast in a broad semicircle. Reinforcements could in this case be assured from Ostend and Dunkirk. In support of this plan, General van Overstraeten referred to the fatigue of the Belgian troops. They had traveled from Maastricht in an unbroken march. The Belgian General also referred to their morale which had naturally suffered in this long retreat. Since the arrival of the Belgian Army on the Scheldt, the troops after a 24-hour rest had regained their calm, as they demonstrated on the 21st of May by brilliantly repelling two German efforts to [illegible] obtain passage over the Scheldt. To demand of these troops to retreat again and to abandon their country almost in its entirety meant in the

Regraded Unclassified

Document No. 14 (Cont.)

opinion of General von Overstraaten to face these troops with the danger a new wave of demoralization.

General Weygand opposed this opinion with great determination. He presented for consideration the facts that the Allied forces represented a single entity, that the French and British had come to the aid of the Belgians and that now the Belgians must continue the struggle further on the British and French side. He added that reinforcements for the Belgium army under the circumstances foreseen by General van Overstraaten could not possibly be carried through and that in this case the Belgian forces would be compelled to capitulate very soon.

The King did not participate in the discussion. Only on his return to chief headquarters an hour earlier did General Weygand learn that the Belgian High Command had arrived at its decision and that its decision was to move in the direction of the Yser in two stages, of which the first provided for a retreat to Lys. The General continued that under these circumstances the Belgian army would play the role of a covering army which he had intended, while the France-British forces would be deployed toward the south as a result of which they would be strengthened to their right by the French cavalry corps, and by the Belgian cavalry corps, the latter being partly motorized. The King had provided to put these at the disposal of the French High Command.

Regraded Unclassified

During General Weygand's talk Mr. Winston Churchill and General Sir John Dill repeatedly demonstrated their agreement and indicated by questions and interruptions that their own opinion of the battle coincided most precisely with that of the Generalissimo especially where the role allotted to the Belgian army was concerned. The British Prime Minister repeated several times that the restoration of the northern and southern armies' communications around Arras was essential. That the British battle forces under General Gort had now subsistence for four days, that the total reinforcements and all the war material of the British expeditionary corps was concentrated from Calais along the coast in the direction of St. Nazaire. That the chief thought of General Gort was to keep open this line of communication so vital for him. Hence since the day before yesterday he had started moving while he had removed a number of units on his right flank behind his lines in order to be able to advance in the direction of Arras and Bapaume. The question was here of a battle decisive for the future of the war, for the provisioning of the English battle forces by means of the canal harbors was very seriously endangered so that in these circumstances the area around Cambrai and St. Quentin acquired decisive significance.

In the course of a private conversation Mr. Winston Churchill informed the French Prime Minister and General Weygand a little later that the relations of General Billott to the Commander-in-Chief of the British expeditionary Corp were not very satisfactory. In particular General Gort had

Regraded Unclassified

Document No. 14 (Cont.)

remained without directions for four days.

At this point General Weygand announced that General Billott was suffering from a severe automobile accident and that he would be replaced by General Blanchard.

General Weygand confirmed the full approval with which the British Government and the British General Staff had met his plans and then firmly, clearly and politely advanced two requests, which in his opinion were decisive.

First, it was of crucial importance for the result of the battle which was starting that the British air force and indeed pursuit planes as well as bombers, be freely put in the field of battle. It had performed very great services for the French Army in the previous days and had thus already exercised a very favorable influence on the spirit of the infantry, while at the same time it had perceptibly disturbed many German marching columns on their way to the front. Besides, it had carried through extensive actions in certain parts of Germany, particularly in the rural area and in Hamburg, Bremen and other places where it had obtained good results in the bombardment of enemy storage tanks and refineries. However, in considering the importance of

Regraded Unclassified

Document No. 24 (Cont.)

of our cooperation, the General held it necessary at the moment that the English Air Force make long distance flights only for a few days for the time being so as to operate permanently and immediately on the front itself or in its immediate environment. He thus demanded that the British air force receive the command that it multiply its efforts in the area of operations arranged upon.

Vice Air Marshall Pyre hereupon gave his opinion on the subject. He offered for consideration the fact that a part of the British bomber squadrons, viz: the Wellingtons, could hardly be obtained for a few days as the airplanes appeared as exposed objectives. It appeared of most importance to him that on the other hand the Meuse bridges or the railway junctions be bombed at some distance from the actual line of operations as they were of significance on the German side for reinforcements during the battle.

Regraded Unclassified

488

Regraded Unclassified

Document No. 14 (Cont.)

After an exchange of thoughts between him and General Weygand, in which Mr. Rtht Winston Churchill also took part, the conclusion was arrived at that the wishes of the Generalissimo be answered and that the British air force of the Northerland be sent entirely into the battle. The bombers which could not always make out clear objectivesin the battle line of the battle as was the case in the previous days were to attempt to disturb the lines of communication between the front and the MEUSE. While the pursuit planes (coming from England as they did) could hardly keep themselves in the line of battle for more than 20 minues, and were to take off in consecutive waves. Second, General Weygand then referred emphatically to the danger for national defencenow resulting from the stream of refugees from the Netherlands, Belgium and northern France; the masses of people moving forward on the streets hindered the freedom of movement of the troops, permitted German elements to mingle among them and thereby exercised an unfavorable effect on the spirit of the troops. It was unconditionally necessary that halt be called to this flight, that nobody should pass over into French territory any longer, so that the columns of refugees now in flight be kept at a distance from the great high roads during certain periods of the day. They should encamp in the fields and should only continue further under certain limitations. General Weygand expressed himself

Documents 14 (Cont.)

very firmly on this point to the King of Belgium and hoped that the Allied Governments would take the same position. Mr. Winston Churchill and M. Paul Reynaud expressed their full approval of the point of view reported by the General. The Generalissimo then briefly announced that he had been able to converse during the evening and night with 3 General Staff officers of the Giraud Army who had been able to give him extraordinarily valuable details of the methods applied by the German Army in battle and that at his request they had produced a short note which would be read.

From this Mr. Winston Churchill concluded that with the application of appropriate methods and with the necessary cold-bloodedness the attacks of the German armored forces could be warded off even when they were supported by bombers, and that it was above all a matter of remaining to the last in the positions the forces occupied.

General Weygand added that they also had to be active and that were they attacked they had to upset the enemy.

The session was concluded at 1:15 p.m.

General Weygand called on the Prime Minister at 5 p.m. and showed him by means of a map he had brought with him the approximate circumstances under which the arranged offensive would develop.

Regraded Unclassified

Document 14 (Cont.)

At this opportunity M. Paul Reynaud informed him of the rumors which circulated in political circles about it and asked him to give renewed instructions so that secrecy concerning the operations be maintained.

The Commander-in-Chief stated that the facts of which he had informed Mr. Winston Churchill and M. Paul Reynaud in the course of the morning were supplemented by a very favorable development. In support of the arranged operations in the north tomorrow, the army of General Frere would give larger and more important units than would be expected a few hours earlier.

Very confidential! Conclusions of the conference of the 22nd of March (Translator's note: May is obviously meant) 1940 held at General Weygand's headquarters between Premier Paul Reynaud, General Weygand, the British Prime Minister Winston Churchill, General Gill (Translator's note: Previously referred to as Bill) and Air Marshall Pierce (Translator's note: Previously referred to as Pirs).

The following was agreed upon:

(1) The Belgian Army is to withdraw to the Yser line and to hold this line. The locks are to be opened.

Regraded Unclassified

Document No. 14 (Cont.)

(2) The British and French Armies to attack to the south-west in the direction of Bapaume and Cambrai as early as possible -- definitely tomorrow with approximately 8 divisions.

(3) With respect to the vital significance of this battle for both armies and the fact that the British lines of communication depend on the freeing of Amiens, the British air force, was to give every possible help day and night for the duration of the battle.

(4) The new French army group, which advances towards Amiens and which forms a front along the Somme, to advance to the north so as to establish communications with the British divisions attacking to the south in the direction of Bapaume.

Regraded Unclassified

Document No. 15

Telegram from Winston Churchill to Premier Reynaud for General Weygand on the 24th of May 1940.

Stronger complaints on inadequate leadership and communication. The Ministry of Defense and of War--Bureau of the Minister.

French Republic. Very secret! Paris 24th of May 1940. Copy of a telegram from Churchill to Reynaud for General Weygand. (Deciphered on the 24th of May, 1940, 5:00 A.M.)

General Gort telegraphed that the coordination of the armies of the three nations on the Northern front was essential. He could not ask this coordination as he was already fighting in the north and south and his communication roads were threatened. At the same time, I hear from Sir Roger Keyes that the Belgian headquarters and the King had not yet at 3:00 P.M. this afternoon today, the 23rd of May, received directions. How do you explain that Blanchard and Gort were together? I do not at all underestimate the difficulties in the way of the maintenance of connections but I do not feel that the operations in the northern area against which the enemy is concentrating are being efficiently harmonized. I rely on your ability to produce relief for them. Gort says further that any advance on his part can only take the form of an attempt to break through and that he must receive relief from the south, as he does not have the munitions required for a serious attack. Nevertheless, we told him to stick to the

Regraded Unclassified

carrying through of your plan. We have not yet received your own plan of action and are not acquainted with the details of your operations in the north. Please send them as soon as possible through the French Embassy.

Best wishes.

Regraded Unclassified

Document No. 16

Telegram from Paul Reynaud to Winston Churchill 24.4.40

Strong complaints on the evacuation of Arras and Le Havre by British troops. Request that General Weygand's orders be obeyed.

Translation -- Carbon Copy -- Very Secret -- 24 May 1940.

Telegram from Paul Reynaud to Winston Churchill.

1. General Weygand explained to you the day before yesterday in my presence at Vincennes a plan to which you and the officers accompanying you agreed completely and fully.
2. You summarised this plan in writing. General Weygand thereupon informed you that he agreed to this summary.
3. General Weygand knows of the difficulties of the situation, but he is of the opinion that there is no other solution but the carrying through of this plan, even at the risk that it must be adapted to the difficulties of the moment while for example the march to the southeast can be broken off and the right wing at the lower edd of Amiens and bound for the Somme. He therefore repeated the command for the execution of this plan this morning. The surrounded armies must thus undertake the desperate enterprise of uniting with the French troops marching from the south to the north while they break through from the Somme and particularly from Apiens.

Regraded Unclassified

4. It is urgently necessary to provision Gort's army from Dunkirk which is covered by the two Fagalde divisions.

5. It is very desirable that you dispatch troops to the harbors, as you did for Calais yesterday.

6. General Weygand has established to his surprise that in contradiction to his plan the town of Arras was evacuated by English troops yesterday.

7. General Weygand's communications with the Belgian army are assured. He learned yesterday evening that the Belgians repulsed small raids and that their morale is excellent.

8. The impossibility of establishing direct connection with Blanchard the Commander-in-Chief of the three armies, i.e., the Belgian army, Gort's army and Blanchard's army, does not permit General Weygand to give you an answer on the absence of communication [redacted] Blanchard and Gort. But since he is in direct communication with the Belgian army he is convinced that Blanchard, and through him, Gort, had received his instructions. Proof of the cooperation between Blanchard and Gort appears from the fact that on the previous night a French division had relieved an English division.

9 General Weygand just now learned of the departure of large units of the British army from Le Havre, which had produced great moral confusion behind the front. Like myself he is very much surprised as he was not previously informed of this matter.

Regraded Unclassified

10. You will be of the opinion, as I am, that in these fateful hours the unified command must now more than ever be successfully asserted and that General Weygand's commands must be carried out.

11. General Weygand is convinced that his plan can only be crowned with success if the Belgian army and the Blanchard and Gort armies are filled with that fanatical will to undertake an attack which alone can save them.

Regraded Unclassified

Document No. 17.

Telegram from General Weygand to the French Military Attache in London. May 26, 1940.

Necessity for action by the British air forces at Dunkirk.
P.C. 26 May 1940 No. 565 CAB / D.N.

Commander in Chief General Weygand to General Leleng, French Military Attache, in London.

The Admiral in Command at Dunkirk asserts the necessity of an energetic defense by air and naval forces to assure reenforcement and partial evacuation of the troops fighting in the defense of Dunkirk bridgehead. I do not doubt that this necessity is understood b the British authorities. However, I ask you to memorialize them again so that everything is undertaken to realize these ideas.

General Weygand.

(Deciphered and dispatched 26 May 1940 at 6:10 P.M.)

Regraded Unclassified

Document No. 18

Telegram from General Weygand to the British High Command of May 30, 1940.

Urgent request to re-station the British air force, which has returned to England, in France so that it can participate in the now developing battle. The whole weight of the battle otherwise falls on France.

Secret - 30th May 1940 Number 1272/3 -- F.T. Arcole, Bremaire:

Please inform the British High Command immediately of the following:

The head of the British military mission informed General Georges on May the 29th that the British Government intended to continue the struggle in France side by side with the French Army. The armored division and 51 divisions remain in France under the command of the French High Command and will be strengthened as soon as possible. The British air force remains in France. Commander-in Chief Weygand thanks the British High Command for this demonstration of solidarity; however he believes he must direct the belief of General Staff's attentions to the position of the British air units remaining in France. At present only three pursuit squadrons remain on French soil. All the others have returned to England. After the end of the Battle of Flanders, the last-mentioned squadrons are not

Regraded Unclassified

in a position to take part in the new battle beginning possibly on the Somme front, in Champagne, or on the Meuse. The whole weight of the battle thus falls on the French Army, which must suffer enormously.

The French Commander-in-Chief urgently asks the British High Command to understand the situation's gravity and to adopt all measures in order that a considerable section of the British air forces, particularly pursuit planes, can be stationed in France in preparation for the imminent battle.

Weygand.

Regraded Unclassified

Document No. 19

Telegram from General Weygand to the British High Command of June 2nd 1940.

Most urgent request to set the British fleet and air force in operation at Dunkirk so that the French rearguard will not be sacrificed. Number 1328/3 F.T. 2nd June 1940

Arcole, Brumaire

Please give the British High Command the following information immediately:

Admiral Nord telegraphed today that besides the 25,000 Frenchmen defending the Dunkirk bridgehead another roughly 22,000 additional Frenchmen remain. All Englishmen are to be moved this evening. As it is to be hoped that these 22,000 Frenchmen can be transported on the following evening, there will still remain 25,000 defenders early on the next day. On these grounds Admiral Nord explains that he will remain in Dunkirk and delay the blocking of the harbor entrance. He asks that all British naval and air transports be placed at his disposal tomorrow Monday evening in order to move the 25,000 men who by their perseverance made possible the embarkation of the last British contingents. Please stand up most urgently in the Commander-in-Chief's name for the fulfillment of Admiral Nord's request.

Indicate that the solidarity of both armies demands that the French rearguard should not be sacrificed.

Regraded Unclassified

Document Number 20

Manuscript of General Weygand to Paul Reynaud of June 3, 1940.

Urgent request once again to influence Winston Churchill so that the British air force should come to the French troops' help.

Appendix to this manuscript.

Report of the Commander-in-Chief of the French air force to General Weygand of June 3 1940 on the necessity for the immediate dispatch of ten British pursuit squadrons. Fulfillment of this request is a matter of life and death.

The Commander-in-Chief's chief headquarters. Number 542 - GAR/B.H. 3rd June 1940

Carbon copy. Very secret!

Mr. Premier,

Today I allow myself to transmit to you another letter which General Vuillemin has written me and which he described as extremely urgent. The letter supports the pressing appeal which you have forwarded to Mr. Winston Churchill. His inclusion is in no wise exaggerated; if our troops are not to enter the battle tomorrow with unequal weapons, they need the support of a strong pursuit plane force. Nobody who has taken part in the last battle will deny this. Our own air force is in no position to give our troops this indispensable aid.

Regraded Unclassified

Document No. 29 (Cont.)

I need not underline the seriousness of the above-described general situation; unless we immediately receive the entire required support from the British authorities, it appears probable that the French forces will be defeated and the war will be lost for Great Britain and France. As the enemy can choose the time for his offensive, the required support can only be described as immediate when the British pursuit planes are stationed in France in advance. I have therefore the honor to ask that you petition the British authorities [illegible] you so that support can ensue according to the following:

First. Immediate dispatching of 10 British pursuit squadrons, which will be stationed in the Eureux Dreux vicinity and which can be mobilized for the land forces' support west of the French deployment between the line PONTOISE-PERONNE and the sea. This would put me in a position to keep stronger forces ready for the rest of the front and consequently to pay regard to the units to be ordered to the south-east.

Second. Preparations for the much-hastened dispatch to France of 10 additional pursuit squadrons, which would be stationed from the first day of battle onwards in British-occupied areas.

Third. Since these squadrons would be stationed at bases already occupied by the British and French, their re-inforcements would not call for any movement. If, in fact, the enemy should make the strategic blunder of attacking France

Regraded Unclassified

Document No. 20 (Cont.)

the critical character of the situation I have described to you.

I am honored to present my reflections on this subject as follows: If, as it is to be expected, the enemy carried through within a short time a fresh massed concentration of the armored car and air arms against the new defensive front now being constructed, it must absolutely be expected that it will again crush through our position and accomplish a quick and deep penetration, which we can no longer continue if we are not in a position to eliminate the enemy bombing planes at the beginning of the attack by a massed force of allied pursuit plane squadrons.

Such a massed force would assume the support of at least half the air force stationed at the English airports. This is all the more necessary as German action in the south-east and Italy's possible entry into the war have already compelled me in view of the extraordinary weak material in the south-east and in North Africa to detach parts of the air force to the south-east. These detachments, which are ludicrously small in relation to the possible danger, will have to be strengthened after Italy's entry into the war, unless the whole of our south-east is to be delivered up without defense against an Italian operation. Such an operation might likewise include simultaneous assaults by armored cars and by air and might well have the same success as the German offensive in the north-east.

Regraded Unclassified

Document No. 20 (Cont.)

In consideration of the gravity of the situation, I ask you to influence the British Prime Minister. General Vuillemin's letter has already been brought to the attention of the Commander-in-Chief of the British Air force in France and of the Chief of the French air mission to the British Air Ministry.

I am, Mr. Premier, etc.

signed

Weygand

Commander-in-Chief of the Air General Staff, 3. Bureau
NR. 3967 - 3/0.S. 3rd June 1940
Most urgent! Very secret!

General Vuillemin as commander-in-chief of the air force to the Commander-in-Chief and head of the national defence General Staff, Commander-in-Chief of all the theatres of War. (Cabinet-General Staff - 3rd Bureau)

I begged you in Manuscript Number 3906 - 3/0 E.L.G. of the 31st May 1940 most urgent to petition the highest British authorities to obtain from them a massed concentration of pursuit planes in France. The unfolding of events, which now moves in the direction of an assault by strong German bomber groups in the south-east and of the possibility of Italy's immediate and imminent entry into the war, further strengthens

Regraded Unclassified

Document No. 20 (Cont.)

and England without previously renewed offensive operations, these squadrons could return to their English bases on the very same day. In addition they would in this way probably avoid the planned bombing of pursuit plane air bases in England with which the enemy will start his operations against England. I might again state that it is a matter of life and death for France as well of England that these requests be met immediately

The Commander-in-Chief of the Air Force

Vuillemin

Regraded Unclassified

JUL 15 1940

My dear Mr. Secretary:

Attached herewith is a copy of a letter dated July 2nd, which I received from Mr. Morris W. Wilson, Representative in Canada and the United States of the Ministry of Aircraft Production of the United Kingdom, concerning the disposition of certain Rolls Royce plans and drawings now in the custody of the War Department.

Although Mr. Wilson requests that some of these plans and drawings be sent to him by express at Montreal, Canada, I have been advised that, if the War Department should wish to retain any or all of these plans for inspection purposes, Mr. Wilson will be delighted to forward the request to Lord Beaverbrook.

As a copy of the inventory of these plans is in your possession, may I suggest that it be studied carefully by the Chief of the Air Corps in accordance with the foregoing. I am forwarding a copy of this letter to Mr. Wilson for his information.

Sincerely,

(Signed) H. Morgenthau, Jr.

The Honorable,

The Secretary of War.

Enclosure

FT:bj
7/12/40

By Messenger /2 45

Regraded Unclassified

JUL 15 1940

My dear Mr. Secretary:

Attached herewith is a copy of a letter dated July 2nd, which I received from Mr. Morris W. Wilson, Representative in Canada and the United States of the Ministry of Aircraft Production of the United Kingdom, concerning the disposition of certain Rolls Royce plans and drawings now in the custody of the War Department.

Although Mr. Wilson requests that some of these plans and drawings be sent to him by express at Montreal, Canada, I have been advised that, if the War Department should wish to retain any or all of these plans for inspection purposes, Mr. Wilson will be delighted to forward the request to Lord Beaverbrook.

As a copy of the inventory of these plans is in your possession, may I suggest that it be studied carefully by the Chief of the Air Corps in accordance with the foregoing. I am forwarding a copy of this letter to Mr. Wilson for his information.

Sincerely,

(Signed) H. Morgenthau, Jr.

The Honorable,

The Secretary of War.

FY:bj
7/12/40

By Messenger

Regraded Unclassified

July 15, 1940
12:07 p.m.

H.M.Jr: Pa, the Under Secretary of the British Treasury is here on my invitation. Hello?

General Watson: Yeah.

H.MJr: He's just arrived. He has most valuable information not only on finances but on the British airplane situation. Hello?

W: Yeah.

H.M.Jr: And I think it's well worth the President's time in the next day or two to let me bring him over.

W: All right.

H.M.Jr: He's got the real dope and I have great confidence in him.

W: What is his position? What is he?

H.M.Jr: He's Under Secretary of the British Treasury.

W: I see. Under Secretary of British Treasury.

H.M.Jr: Sir Frederick Phillips.

W: Sir Frederick Phillips. All right.

H.M.Jr: And he's got the latest dope on the airplanes, airplane engines and their financial situation.

W: Uh-huh. I'm sure the President will want to see him.

H.M.Jr: What's that?

W: I'm sure he'll want to see him.

H.M.Jr: Yeah, I'd like to bring him over.

W: All right.

Regraded Unclassified

H.M.Jr: You let me know, please.

W: All right.

H.M.Jr: Thank you.

W: Yeah.

Regraded Unclassified

7/15

Opening Statement in Conference with
Sir Frederick Phillips

From time to time we have received from the British Government requests or suggestions as to courses of action, etc., which the Treasury should take. Very likely this practice will continue. We are desirous of giving careful and understanding consideration to such requests and suggestions, and we are also desirous of cooperating with the British consistent with this Administration's foreign policy. However, for us to deal with these matters intelligently, it is necessary for us to have full understanding of all the relevant facts and policies. We thought that you might be in a position to be of help to us in this connection. Accordingly, and if this is agreeable to you, there are a number of questions which we would like to ask you and a number of problems we would like to discuss with you.

Regraded Unclassified

Suggested Agenda for Discussion With Sir Frederick Phillips

I. Gold and Foreign Exchange Assets of Great Britain

1. How much gold does England have and where is it located?

2. Is the British Treasury planning to remove the gold now in England to Canada or to other places where it will be beyond the reach of a possible German invasion?

3. Does the Treasury anticipate increasing the rate of liquidation of British held American securities?

4. What is the British Treasury's estimate of the total value of United Kingdom's foreign exchange assets classified by kind and location? What is the value and character of the foreign exchange assets of each of the Empire countries?

5. To what extent are the dominions and colonies making their foreign exchange assets available for the financing of the war?

6. At what rate is the United Kingdom at present depleting its foreign exchange resources? Could the British Treasury prepare an estimate for the Secretary of the balances of payments for the next three months of

   (a) The British Empire with the rest of the world?
   (b) The United Kingdom with her Empire?
   (c) The United Kingdom with non-Empire countries?

7. Under what circumstances would the British Government desire the United States to impose licensing restrictions on the use of British assets in this country?

Regraded Unclassified

II. Gold and Foreign Exchange Assets of France

1. What steps is the British government taking or contemplating taking with respect to the French gold and other French assets in Great Britain and other parts of the Empire?

2. What are the views of the British Treasury with respect to the status of French gold earmarked in the United States, and to the liberation of other French assets blocked in the United States?

III. Gold and Foreign Exchange Assets of Other European countries

1. The British government has requested us to block German and Italian assets here. How important do they feel such action to be?

2. Does the British Treasury contemplate any special action with respect to assets belonging to Switzerland and Sweden now held in British countries?

3. How much gold does the British Treasury believe to have fallen into German hands in occupied countries?

4. Does the British Treasury have any knowledge of the confiscation of foreign exchange yielding securities by Germany in the invaded countries?

5. How much gold, balances and other assets do the invaded countries have in the United Kingdom and the rest of the British Empire?

Regraded Unclassified

IV. Far East

1. Is the British Treasury considering extending additional aid to the Chinese government for the purpose of strengthening the yuan? Would it consider doing so in collaboration with the United States?

2. Does the Indian government intend to acquire more silver, or permit increased imports of silver into India?

Regraded Unclassified

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE July 15, 1940

TO Secretary Morgenthau

FROM Mr. Cochran

STRICTLY CONFIDENTIAL

At 11 o'clock Saturday evening, July 13, Mr. Pinsent, Financial Counselor of the British Embassy, telephoned me at my home that Sir Frederick Phillips, British Under Secretary of the Treasury, and Mr. Kenneth Bewley, also of the British Treasury, would arrive in Washington at 5:30 p.m. on Sunday. I telephoned this information to Secretary Morgenthau at the farm at 9:30 Sunday morning. Later in the day I was instructed by the Secretary, through Lieutenant McKay, that he would be pleased to receive Sir Frederick Phillips at the Treasury at 11 a.m. on Monday. I passed this information on to Mr. Pinsent on Sunday afternoon, and also telephoned Under Secretary Bell to let him know the schedule.

When Sir Frederick Phillips, accompanied by Messrs. Bewley and Pinsent, arrived at 11 o'clock this morning, the Secretary first received Sir Frederick Phillips alone. Messrs. Bewley and Pinsent waited with Mr. Cochran in his office. At 11:15, the Secretary had Messrs. Bell, Bewley, Pinsent, Stewart, Viner, White and Cochran join him and Sir Frederick Phillips.

The Secretary expressed his desire to let the visitors know how we are operating, particularly through our control of foreign funds of certain countries. He called upon Under Secretary Bell to explain the basis of our control, and the practice involved. Mr. Bell cited the legislation which was the basis of our authority for the control of funds. This subject was of particular interest to Sir Frederick Phillips, and it was arranged that he should be provided with the text of pertinent legislation. Mr. Bell made the point that the prime purpose of our control was to prevent funds of other countries falling into German hands. Among the provisions of our control which were explained was that permitting nationals of the blocked countries resident in the United States to draw up to $500 per month for living expenses. In answer to Sir Frederick's question, it was explained that we had experienced no particular difficulties in operating the control of French funds. There had been a few French payments to South America principally for food supplies purchased in that area. In answer to a further question on the part of Phillips, it was explained that there was no specific date limit fixed on our control authority, this being valid for the extent of our "emergency".

In connection with our control of foreign funds, the Secretary gave the visitors an idea of the control recently instituted with respect to ships leaving the United States. The Secretary cited a few problems which confronted the Treasury, as the department administering this control, in passing upon the propriety of a Greek vessel clearing with sugar for Casablanca, a United States vessel sailing for Spain with oil, etc.

Regraded Unclassified

In the American control regulations it was explained that French colonies are accorded the same treatment as metropolitan France. Phillips explained that England has blocked French assets under the British Trading With The Enemy Act. French banks in London are no longer permitted to receive instructions from their head offices and are under strict control, although permitted to carry out certain contracts previously entered into within the sterling area.

In answer to the Secretary's inquiry, Sir Frederick Phillips stated that he was prepared to give us certain information in regard to prospective British purchases in the United States for the next twelve months. He stressed the point that this schedule must necessarily be accepted as tentative, subject to changes in policy, errors and omission, particularly as concerns the individual items contemplated for purchase. When he was asked for data as to Empire needs, he said that his figures would include dollar requirements for all parts of the Empire, since, for example, when Australia requires dollars for purchases on the American market, the British Treasury provides them. He added, however, that Mr. Purvis is in a position to give more precise information in regard to the Empire purchasing program. Sir Frederick had seen Mr. Purvis in New York on Sunday. The Secretary invited Sir Frederick to lunch with him on Wednesday, when it is planned that Mr. Purvis shall also be present.

While discussing the purchasing program, Secretary Morgenthau explained the working of the arrangement whereby 9,000 Rolls Royce motors will be made in the United States, 6,000 for the British and 3,000 for the United States. The Secretary spoke very highly of the work that Mr. Purvis has done in the United States as head of the Anglo French Purchasing Commission. The Secretary stressed the improvement in the purchasing system that had resulted from eliminating the complex control which had at one time been exercised over Mr. Purvis from Ottawa, and he expressed the hope that Mr. Purvis might have even more direct authority from Lord Beaverbrook in the future. Phillips explained that, with the capitulation of France, the joint committee which Jean Monnet had headed has now collapsed, and that a new "Salter committee" has now been set up to coordinate purchases by the various British ministries.

The Secretary invited the British visitors to return to the Treasury at 4:15 this afternoon if they might be interested in observing the manner in which our committee on foreign funds control operates. It was also arranged that they should come to the Treasury on Tuesday morning at 10:30 for a further conference.

At 4:15 Sir Frederick Phillips and Mr. Pinsent came to Under Secretary Bell's office and sat for two hours with the control group, consisting of Messrs. Bell, Stewart, Viner, Upham, White, Bernstein, Pehle and Cochran. A few typical cases were discussed and decided upon at this session. Mr. Bell explained in some detail various phases of the control including a brief description of the setup in New York and its relation to the Treasury. We let the visitors know that we consult the Missions in Washington of blocked countries on certain cases, but do not undertake to be guided exclusively by those Missions. The action which was being taken yesterday with respect to blocking the assets in the United States of the Baltic countries of Latvia, Estonia and Lithuania was explained. There was discussion of a further step under contemplation which involved the stamping of securities traded on this market which have come from invaded territories. There was also a study made of documents drawn up in regard to examination of

Regraded Unclassified

consular mail with the view to detecting shipments of looted securities. It was ascertained in this connection that the British Embassy in Washington looked favorably upon our examination of consular mail, and had even issued a circular to British consuls in American territory advising them not to protest against such practice. This circular had been inspired by a protest made by the British Consul in Manila against the action in that city of our postal authorities.

Sir Frederick Phillips was quite interested in our system. He gave us certain general information in regard to British censorship and control of alien enemy funds.

Regraded Unclassified

Early in the first conference with the British visitors their interest in French balances in this country was made quite clear. The Secretary had them provided orally with a statement of French balances in this country. The figures given were the dollar balances of the Bank of France with the Federal Reserve Bank of $255,585,000 and earmarked gold of the Bank of France with the Federal Reserve Bank of New York, amounting to $506,950,000, both figures as of July 10, 1940. It was added that private French funds in this market amounted to approximately $242,000,000 as of July 3, 1940. Sir Frederick Phillips estimated French gold holdings in London at $350,000,000. He stated such gold is still in London. He said the French had some sterling securities, particularly gold mining shares, but he did not attempt to estimate the value thereof. Dr. White thought that French holdings of American dollar securities totaled around $100,000,000. He explained, however, that the inventory which we are now making may reveal a higher figure.

While in Mr. Cochran's office, Mr. Bewley reported that it was his understanding that the Belgian and Polish central bank gold which had been in France was shipped out on one vessel, of which there has been no further word. It was rumored to have gone to Africa.

H. M. P.

Regraded Unclassified

July 15, 1940

518

2.2billion securities & gold
dlad certain.

rate of loss gold + securities
whole sterling area
$1,600. loss

England
~~Canada~~
S. africa
India
new zeland
Australia

In six months client
of gold—
may have to borrow against
securities not readily salable

Regraded Unclassified

a year from now 518-A
down to #600.

---

airplane

June 22 week ending

engine 888

of which ~~50~~ 200 reconstructed

688 new

---

airplanes 570

new 422

~~Add~~ 148 reconstructed

1/3 of planes training

Bombers + fighters 285

Regraded Unclassified

July 15, 1940
3:31 p.m.

H.M.Jr: Hello.

Wm. H. McReynolds: Yes, sir.

H.M.Jr: Mac? How are you?

McR: Pretty good, thank you.

H.M.Jr: How's your golf?

McR: Why, not so bad. I made $1.50 over the weekend playing golf.

H.M.Jr: You could make that and shoot over a hundred if you played with .....

McR: Well, I made $1.50 on Saturday and I made $1.50 yesterday.

H.M.Jr: Good for you.

McR: But my golf wasn't so hot. The other fellows were worse, that's all.

H.M.Jr: Now don't go modest on me.

McR: (Laughs).

H.M.Jr: Mac.

McR: Yeah.

H.M.Jr: I've got an invitation to come to the White House at two o'clock tomorrow with the National Defense Council.

McR: Yes, sir.

H.M.Jr: What's it mean?

McR: Well, I mean, the Boss said Thursday when we were over there that he wanted us Tuesday of this week instead of Thursday and that he was going to invite the same group that he had at

Regraded Unclassified

the first meeting just as a sort of review and get-together. That was all.

H.M.Jr: Well, what's back of it?

McR: I don't know that there's a thing.

H.M.Jr: Who was the first group?

McR: Well, you were there -- it was the Cabinet .....

H.M.Jr: Oh, my God!

McR: The Cabinet and the Commission.

H.M.Jr: Oh, the whole Cabinet is going to be there.

McR: Yeah.

H.M.Jr: I see.

McR: That is, all that are here.

H.M.Jr: I see.

McR: The Boss said that they -- he was going to have the Cabinet, the Assistant Secretary of War and Assistant Secretary of Navy and the Commission.

H.M.Jr: I see.

McR: And that was the basis of the invitation. He told me to see that Pa Watson got the invitations out.

H.M.Jr: O. K.

McR: So I've been on his neck ever since to see that he got them out.

H.M.Jr: Well, I was invited but I wondered what it was. Now I know.

McR: That's the whole story.

H.M.Jr: O. K.

Regraded Unclassified

McR: I just called you while you were in press conference. Mrs. Spangler asked me whether she could do anything and I told her what I wanted. I think she's going ahead and do it.

H.M.Jr: What's that?

McR: This Rolls Royce boy was trying to get hold of the Chief Engineer in Darby without any success at all and they'd asked Phil Young how they did it and he didn't know, so they called me and Mrs. Spangler said she had done that two or three times before for them and that she would go ahead if I thought it was all right. I said you'd better check it, but I was going to ask the Secretary before I gave anybody any request.

H.M.Jr: They'd better do that through the British Embassy from now on.

McR: Do it through the British Embassy from now on. I think she's on the way to do it now, if you want it cancelled out over there.

H.M.Jr: They'd better do that -- I don't want any more of those calls going through the -- I don't know what they are.

McR: Well, what they're trying to do is to get some information from their chief engineer in Darby as to technical assistance they can get in building up this plant in Packard.

H.M.Jr: They'd better do it through the British Embassy.

McR: I'll tell them so.

H.M.Jr: Yeah.

McR: O. K.

H.M.Jr: Thank you.

McR: Thank you.

Regraded Unclassified

July 15, 1940
3:40 p.m.

Operator: Operator.

H.M.Jr: Why do you put a call through to London that I've already refused?

Operator: I didn't put any call through.

H.M.Jr: Well, McReynolds said he asked you to put a call through for the Rolls Royce.

Operator: Yes, he asked me to but I haven't worked on it yet.

H.M.Jr: Were you going to ask me?

Operator: Well, Mr. McReynolds and I talked it over and he said he thought it was all right to go ahead without asking you.

H.M.Jr: Well, you'd better never do that again.

Operator: All right.

H.M.Jr: I've turned it down once today.

Operator: Oh, I didn't know that.

H.M.Jr: Never, never do a thing like that again.

Operator: All right.

H.M.Jr: No calls now, please, Mrs. Spangler.

Operator: I understand.

H.M.Jr: I mean, I turned them down once and they go to McReynolds.

Operator: Oh, I didn't know that.

H.M.Jr: Well, you'd better ask. I mean, I turned it down once today and when I want a call to go through to Europe, unless I personally tell you or unless it's something that I tell you or Mr. Cochran or somebody here, please never do it again. I don't know what all of this Rolls Royce business is.

Regraded Unclassified

Operator: I see. It was that same call that you had told me about several times before.

H.M.Jr: That was when they were here.

Operator: I see.

H.M.Jr: But since then a lot of things have happened which I don't understand and I don't know who this Rolls Royce man is or whether he's a German sympathizer or what he is, and I'm not going to have my Treasury used for that purpose.

Operator: I see. Yes, sir.

H.M.Jr: I'm quite upset over that and McReynolds called me and he said he'd talked to you. Please be more careful. You know, these people are at war, Mrs. Spangler, and you just don't know who's spy and who's fifth columnist. You've got to be terribly careful.

Operator: I know.

H.M.Jr: And I've got you down there because I have confidence in you.

Operator: Well, it was this same man that you had passed a call for him. It was for Mr. Olley.

H.M.Jr: How long ago, Mrs. Spangler.

Operator: It's been about a month ago now.

H.M.Jr: Exactly, and a lot of things have happened since then.

Operator: I understand.

H.M.Jr: All right.

Operator: All right.

Regraded Unclassified

July 15, 1940
4:43 p.m.

Operator: Hello.

H.M.Jr: Mrs. Spangler, just to keep my records straight. McReynolds said he tried to get me while I was at press conference and then when he couldn't he spoke to you?

Operator: That's right.

H.M.Jr: Is that right?

Operator: That's right.

H.M.Jr: O. K. Thank you.

Operator: All right.

Regraded Unclassified

With The Compliments of
Hu Shih

525

KWANG HU CHEH

Foreign Trade Commission,
Chungking, China.

July 15, 1940.

Dr. Hu Shih,
Chinese Embassy,
Washington, D.C.,
U. S. A.

Dear Shih Chih:

The purpose of this letter is to confirm the two cables which were sent on the 8th and 10th to the Universal Trading Corporation to be forwarded to you and to give you a rather detailed account of information I have gathered since my arrival here which may be of interest to you.

One of the important decisions of the Seventh Plenary Session of the Kuomintang which is now in session is the formation of a Ministry of Economic Warfare in which will be embodied the Foreign Trade Commission of the Ministry of Finance, and several minor sub-divisions of the Ministry of Economics which will be changed into a Ministry of Industry and Trade. In addition, the heads of Ministries of War, Finance, Communication, Industry and Trade and Economic Warfare will meet regularly as the National Economic Conference under the chairmanship of the Generalissimo. The Government will also set up a Central Planning Board for purposes of planning as well as supervision of the nation's political as well as economic affairs.

The nature of Economic Warfare in China differs considerably from the nature of economic warfare in Great Britain. In the latter, economic warfare consists of blockading its enemy. In China, economic warfare consists of mitigating the effect of enemy blockade, increasing production in order to supply home consumption and develop export trade, and carrying on disruptive activities so as to make it impossible for the enemy to exploit the occupied areas and use the resources of such areas for the continued prosecution of the war. Warfare on the economic front, of course, has been going on since the beginning of the war. But so far the extent of the warfare has been limited. The formation of the new ministry indicates that the Government is going to pay greater attention to this vital problem and emphasizes the fact that, despite persistent rumors of a compromise, the Government is not only determined to carry on but will greatly intensify warfare on the vitally important economic front.

Rising prices and high living cost constitute perhaps the most talked about problem in Free China. It is, however, not the general rise in the price level, but the spectacular rise in

Regraded Unclassified

the price of commodities of every day consumption that is worrying many people. Detailed figures are not available, but information gathered at random from various sources indicate that in Chungking, the price of rice must have risen five or six times or more in one year while price of rice in Kunming has arisen eleven or twelve times during the same period. In Chengtu, recently, the price of rice went up ten dollars in a single day. There are many well-recognized reasons for this phenomenon, such as commodity shortage, high cost of transport, high labor cost resulting from labor shortage, hoarding of commodities and currency inflation, but opinions differ as to the relative importance of these reasons.

There is, however, an interesting phenomenon in Szechuan which points to the great importance of hoarding as a factor in boosting up prices. Contrary to general expectation, the price of grain is highest not in the great cities where large quantities are consumed but in the localities such as Chiangching, Chichiang and other places which are the centers of rice production. The explanation, according to a reliable source, is that speculators are buying up rice right at the source of production. Police measures against speculators are reported to be strict in Chungking. Once, at the direct order of the Generalissimo, warehouses of several large banks were searched for hoarded commodities, but nothing was found. In the small towns and the countryside, however, the control authorities were not so vigilant and it is reported that commodity hoarding still presents a serious problem.

Regarding currency inflation, its existence is a generally admitted fact but there is a special feature in the currency situation which mitigates considerably the undesirable consequences of inflation. The degree of development of money economy in China's interior is so small that barter or near-barter trade prevails to a considerable extent and there has generally been a shortage of currency in the villages. The result of inflation, therefore, has so far been the injection of a sizable amount of paper currency into the villages with the result that peasants who never handled much currency before now readily pull out of their pockets one dollar and five dollar bills without much hesitancy. This fact means that on the one hand, peasants are acquiring the habit of using notes which implies a step forward in the development of money economy, while the effect of inflation are somewhat mitigated because the area for note circulation has become extended.

Although both rising price and inflation are symptoms rather than the basic causes of our economic difficulties, there are many people who believe that effective measures to control prices and to mobilize idle capital in Shanghai and Hongkong can be and should be devised. The recent Seventh Plenary Meeting of the Kuomintang is reported to have worked out many concrete measures to meet the present situation. These measures have not yet been published and their effectiveness remains to be seen.

As to fundamental measures to remedy the situation, increase of production and the improvement of transport stand naturally at the

Regraded Unclassified

Regraded Unclassified

top of the list. In my interviews with the Generalissimo on July 2nd, I emphasized the importance of these two measures, not only as the basic means in solving the internal economic problem but also as the basic steps that China should take in opening up more possibilities for securing foreign economic assistance. The saying that God only helps those who help themselves applies to nations as well as to individuals. Only when we have done our best in making internal improvements, in increasing the production of goods with which we can exchange for things we need and in developing our transport system so that it ceases to be a bottleneck in our economy - only when we have done all these and more can we be justified in feeling that we have not only prepared the road to victory but also laid the basis for post-war reconstruction.

Although anxious to be of service to our country and people, I have, as you know, a strong disinclination to take any government position and, except under unavoidable circumstances, always prefer to do my part as a private citizen. I have, therefore, in a letter to Dr. Kung last week tendered my resignation as Chairman of the Foreign Trade Commission. I would have liked to free myself of all official duties, but somehow I feel that I cannot and should not attempt to escape from the responsibilities arising from the commercial activities created by the two Export-Import Bank Loans. Consequently I am retaining the post of Chairman of Board of Directors of Foo Shing Corporation and continuing to serve as a director of the Universal Trading Corporation. In these capacities I will be in a position to do all I can to insure the proper carrying out of the activities entrusted to these corporations so that the two loans are properly serviced and repaid, so that China will secure the greatest benefit from the purchases made from the loan proceeds and so that a sound basis for the further development of Chinese-American trade will be laid.

Perhaps the most noticeable physical conditions of work in Chungking are the extremely warm weather, the inconvenience in communication and transport and repeated interruptions resulting from air bombing raids. The room temperature in Chungking reaches 108° in the last few days. The heat is as oppressive as most tropical countries, if not more so. Humidity rivals that in Manila and Hongkong and people live in sweat practically twenty-four hours a day. What makes the place worse than Manila and Hongkong, however, is the absence of any breeze or wind. Day after day the leaves of trees stand absolutely still and the only breeze that brings a little relief comes from the fan which has indeed become man's best friend.

Heat, however, is not the worst enemy to efficiency in Chungking. The inconvenience of communication and transport constitutes a much greater handicap. The telephone system has been partly destroyed by air raids and repair work has not yet been finished. Appointments, therefore, have to be made by messengers who move around on foot or chairs and seldom cover more than two or three miles an hour. With most of government officers scattered over a large area in the countryside, it takes at least a couple of hours before a messenger can get to his destination and come back

with the return message. Once an appointment is made, the party invited must arrive early in the morning. If he arrives after 10 A.M. he is likely to be greeted with an air raid alarm and will have to go to the cave for two, three and sometimes four hours. So when the actual discussion starts, it's already mid-afternoon. If one lives across the river, one cannot stay for dinner unless one is prepared to stay over-night. An appointment is, therefore, usually a whole day affair. The tempo of movement here is consequently very slow, and even the most efficient man can accomplish little under the circumstances. To one who is accustomed to the pace in New York and Washington, the life here makes one feel like in a dream, when one sees clearly the necessity to move but feels paralysed and helpless. Despite all these inconveniences, however, the life of the city and the affairs of the Government are being carried on as usual.

Air raids are perhaps the most important contributing factor in this inconvenience and the effects of air raids and the attempts for their prevention strike the eye as most characteristic features in Chungking today. Chungking is a city of scars and air-raid-shelters or caves. Many streets, including some which were the most prosperous sections a year ago, are completely destroyed and there is scarcely a single street without damaged houses and buildings. The air raids during last summer and the past two months have been so intense that had Chungking been a city built on an alluvial plain like Chengtu it would have been rendered uninhabitable. Fortunately, Chungking is situated on limestone hills and air-raid shelters can be dug on the side of most streets or near most buildings. The result is that Chungking has become a city of caves, and almost once every day, in the last two months the people of Chungking are compelled to spend a few hours in the caves.

I was spared this ordeal for two days after my arrival because of rain. Then in five days we experienced four raids, the first one on July 4th completed the wreck of the campus of Chungking university, the second and third raids on the 5th and 7th wrecked many buildings near the Government building where the Central Committee Meeting of the Kuomintang was in session, and the fourth raid did not drop any bombs in Chungking but passed here and raided Chengtu.

It may be interesting to describe two of these air raids and cave life which may give you a concrete idea of one of the most common and outstanding characteristics of life at Chungking at present. On July 4th, at 10:30 the first alarm, a red ball hanging on a rack at the top of hill, appeared. The sound of automobiles and trucks rushing out of the city were soon heard. Hotel porters started to take guest baggages to the caves. People carrying bundles, women carrying babies, were walking about the street, all heading for the caves they were supposed to go to. People were all walking to some place, but there was no panic, no rushing. I haven't seen a single person running or shouting. Then, about half

Regraded Unclassified

an hour later, two red balls appeared. This is the sign that the enemy planes have crossed the provincial border. People began to go into the caves. Another 20 minutes or so, the two red balls disappeared, which means that the enemy planes are approaching the city. The street became all quiet and motionless. We are all sitting in the cave of the Shanghai Commercial and Savings Bank waiting and talking in low tones. But the enemy were slow in coming.

The cave is high enough for the tallest person to walk through and it's wide enough to seat two rows of people and still leave enough space for one person to walk back and forth. The cave is a long tunnel cut into a limestone hill. In order to prevent stones from falling on people when bombs drop on top of it or near by, the inside of the cave was lined with wooden boards and supported by a very solid wooden framework. It was lighted with vegetable oil lamps and although the lights are too dim for reading, they are sufficient to make the cave look lively and make it possible for people to be sociable. The people inside, mostly employees of the Bank, and some of their families, were mostly cheerful. They joked with each other, discussed reports in the days newspapers, and showed not the slightest sign of fear or worry.

Suddenly, the few people who were near one of the doors of the cave rushed in and reported they heard the enemy planes. Soon there was a rumbling noise, like a thunder in a distance. Later on we were informed that the enemy dropped over 200 bombs on the campus of the Chungking university and that of the Central University, destroying most of the buildings and killing 2 servants and wounding 3. At 5:20 P.M. the all clear sign, a large green lantern, appeared and we all emerged from the cave. We have been sitting in that cave for 4 solid hours.

On the morning of July 7th when a few friends and myself were out visiting, the air alarm sounded. We were out in the hills, travelling by chairs each of which were being carried by two bearers. It was a most inconvenient place to face an air raid. Had the raid come sooner than it did then we would have to go to the nearest public cave which is usually crowded and suffocating. Fortunately the enemy planes were slow in coming. So we rushed back to the Foreign Trade Commission where I was staying and where there is a good cave. We reached the Commission premises at about 11 A.M. and found Mr. Hsu the vice-minister of Finance, Mr. Wu, a tea expert, and Dr. Chi just finishing a hearty lunch. They knew the raid would last until 3 or 4 and were therefore eating their lunch ahead of time. We all went together to the cave of the Commission which is situated about quarter of a mile up hill. We noticed young and old, women carrying babies and men with bundles in their hands, were coming from all directions leading toward one of the four entrances of the cave. Some guests and leading members of the Commission were being borne up hill by chairs. My friends prepared a chair for me. I did not like the idea of riding while most of the people were on foot. So I joined the crowd and

Regraded Unclassified

530

climbed. But after going about half way, the effect of age began to tell, and at the urging of my friends, I reluctantly finished the climb by chair.

The cave is known as one of the best in Chungking because it is situated on the side of a hill and the best part of the cave has a roof of about 100 feet of solid stone. Costing $50,000 for its construction it is ten times as large as that of the Shanghai Bank and can shelter over 1,000 people. The inside of the cave is rather cool but very damp. Water occasionally drips from the ceiling. Unless one puts on extra clothing, he is most likely to come out of the cave with a cold. Despite the discomfort, the people inside obviously felt safe and were cheerful. Under the flickering light of the vegetable oil lamp, one could see people's animated faces and hear a continuous stream of pleasant conversion. There were tired faces, fatigued by the boredom of having to sit four hours as if in confinement, but there was no sign of fear. It was particularly hard on the children who naturally felt the strain of enforced sitting and semi-darkness more keenly than the grown-ups. Many children, nevertheless, were cheerful and sometimes even helped to cheer up the adults. Then amidst the noises created by crying babies, complaining children and soaring mothers one often hears groups of children singing patriotic songs or popular airs. There were, however, moments of gloom when the droning of enemy planes was followed by a string of thunderous booming noises. Everybody knew that enemy bombs had found their mark although nobody knew where. When we emerged from the cave, we could see smoke and flames somewhere in the heart of the city across the river.

Later, we learned that the enemy were trying to bomb the place where the Seventh Plenary Meeting of the Kuomintang was in session. Fate, however, has its tricks. The bombs destroyed most of the buildings in the neighbourhood and two soldiers guarding the gate of the Government building were blown to smithereens. But, the meeting hall of the Kuomintang Conference stands proudly amidst the surrounding ruins, unscathed and untouched. The delegates reassembled one hour after each raid and carried on their deliberations. There were no casualties and not even any absences. Thus, despite almost daily raid, the conference concluded its sessions on the 8th as scheduled. The enemy obviously aimed to intimidate the delegates into submission, but the decision of the conference, as the whole world knows by now, is continued resistance.

In view of the fact that the Japanese have failed either to intimidate our people or their leaders, it is difficult to understand why they continue to carry out such raids which must be very costly to them. The explanation is, perhaps, illusion resulting from wishful-thinking. It is, indeed, a pity how unwilling are people to face realities, although in facing realities lies men's only road to salvation.

There are many other things that I wish to tell you but the letter is already too long and, like all things good or bad, there must

Regraded Unclassified

be an end. I am staying in Chungking until July 26 when I will leave for Kunming, and then Rangoon. When circumstances permit I'll write you again. In the meantime, permit me to close with my best wishes for your good health.

Sincerely yours,

(signed) K. P. Chen

Regraded Unclassified

Treasury Department
Division of Monetary Research

532

Date Sept. 19, 1940.

To: Secretary Morgenthau

From:

Appended is a copy such as you sent, I think, to Secretary Knox the other day.

There are a few suggestions of things you might want to consider offering as possible inducements to Russia.

MR. WHITE
Branch 2058 - Room 210

Regraded Unclassified

COPY July 15, 1940

MEMORANDUM FOR THE SECRETARY:

Proposal for a possible three-way arrangement between the United States, Russia and China to give assistance to China

The following tentative plan is put forward as a possible feasible method of carrying out the President's suggestion of giving aid to China through an arrangement which would include Russia.

A. We would purchase from $100 to $200 million of strategic and critical commodities from Russia for delivery as rapidly as possible but probably extending over several years. We would make advance payments for part of the purchase, preferably in proportion as Russia extends effective equivalent credits to China.

According to an estimate based on the available data, which are neither comprehensive nor up to date, Russia can supply us with about $25 million per annum of manganese ore, asbestos, platinum, chromite, etc. (In addition to her normal exports to the United States). (See Exhibits A and B.) Further information from the Soviet Government would be needed to ascertain the volume of such exports that could be made.

B. Russia on her part would agree to extend to the Government of China credits equivalent to our advance payments for Russian strategic materials. Russia's equivalent credits to China would be in addition to the $50 million or so of Russian credits reported by Mr Soong in the middle of July to be still outstanding which China is using up as rapidly as Russia will permit. Russia's equivalent credits to China would become effective simultaneously with our advance payments to Russia.

C. To eliminate the risk of Russian non-delivery of goods for which we have made advance payment, Russia could be requested to agree to leave gold on earmark with the United States to an amount equivalent to the sums we pay in advance. The gold would be unblocked, and if desired withdrawn, concomitantly with our receipt of Russian goods already paid for.

Regraded Unclassified

D. As a possible quid pro quo to the Russians we might allow them to use our advance payments to them for the purchase of such American goods as can be exported without detriment to our national defense.

Advantages of plan:

1. It would make possible increased aid to China at a time when no other means -- except perhaps a currency stabilization loan -- is open, and thus by strengthening Chinese resistance to Japanese aggression improves the United States' defensive position in the Pacific.

2. The aid to China would be made without our incurring any risk and only at the cost of payment in advance for strategic and critical materials which we need anyhow.

3. We would increase our foreign trade by making possible larger exports to Russia.

4. If the international situation develops in such a way as to make it to our advantage to improve our relations with Russia, this three-way agreement would constitute a convenient opening wedge for this purpose.

HDW:WLU:SA:lrs
9/12/40

Regraded Unclassified

EXHIBIT A

September 12, 1940

The U.S.S.R. As a Source of Strategic and Critical Materials 1/

The United States may be able to purchase strategic and critical materials from the U.S.S.R. to the extent of from $100 million to $200 million for delivery over a four-year period. (This sum is in addition to our normal trade with the Soviet Union, which amounted to $24.5 million in 1939.)

According to this estimate, the following materials might be annually obtainable in the following quantities and values:

Material	Quantity		Value
Manganese (ore)	450,000	long tons	$10,000,000
Chromite (ore)	100,000	long tons	2,000,000
Mercury	7,000	flasks (76 lbs.)	1,400,000
Asbestos (unmanufactured	100,000	tons	5,000,000
Platinum (ingots)	60,000	troy ounces	3,000,000
Fluorspar (ore)	30,000	tons	1,000,000
Tin (ore or metal)	2,000	tons (metal content)	2,000,000
Mica (strategic - unmanufactured)	10,000	tons	500,000
Graphite (natural)	10,000	tons	250,000
Total			$25,150,000

The above estimates are based on published data available to us, but the data is not up to date, nor is it comprehensive. There are many strategic materials which are known to be produced in the U.S.S.R., but for which no adequate statistical information is readily accessible. Before any definite conclusion can be reached as to the extent of possible purchases, it would be desirable to obtain the necessary information from the Soviet Government as a basis for a more detailed survey.

1/ Prepared by Mr. Ullmann [illegible] Division of Monetary Research

Regraded Unclassified

Manganese

Use: Manganese is a strategic material, used in the manufacture of steel. It is considered of "first priority".

United States Consumption 1937

Produced in the United States		73,000 long tons ore
Imported - from U.S.S.R.	344,000	
Imported - from other countries	298,000	
Total imports		642,000 long tons ore
Apparent consumption		965,000 long tons ore

Imports from "other countries" came principally from the Gold Coast, Cuba, Brazil. Russian ore has a higher manganese content than Western Hemisphere ore.

United States Emergency Requirements 12 months (Army estimate)

Domestic Production	185,000 long tons ore
Imports	217,000 long tons ore
Total requirements	402,000 long tons ore

(Deficiency to be made up from inventories)

This appears to be an underestimate of import tonnage requirements.

Estimated cost of imports: $5,000,000.

Soviet Manganese Production

1936 U.S.S.R. production	2,373,000 metric tons ore
Known U.S.S.R. reserves	705,000,000 metric tons

Conclusion

The United States can probably obtain a large part of its manganese import requirements from the U.S.S.R. The War Department estimates of manganese requirements appear low, especially in view of the 1937 volume. If, however, the United States were to import half the total 1937 quantity, the cost of imported manganese would amount to about $20 million per year (using the Army estimates of emergency prices.)

Regraded Unclassified

Asbestos

Use: Asbestos is a critical material, used in the automotive industries for brake linings and gaskets. It is also important for heat insulation in various types of construction and equipment.

United States Consumption: 1937

The United States has been largely dependent on imports for asbestos, with Canada the principal supplier (supplying about 90 percent). The Soviet Union was second with 3 percent. United States consumption in 1937 was as follows:

Domestic production		12,000 tons (unmanufactured)
Imports from U.S.S.R.	10,000	
Imports from other countries	327,000	
Total imports		327,000 tons
Less exports		3,000 tons
Apparent consumption		316,000 tons

Soviet Asbestos Production

The U.S.S.R., in 1936, produced 125,117 metric tons of unmanufactured asbestos, which was a rise of 30 percent from 1934. If Soviet production continued to increase at the same rate, it probably will reach over 200,000 tons this year.

The Soviet Union, in 1937, exported 27,000 metric tons.

Conclusion

The United States, faced with an emergency, might have to import more asbestos from the U.S.S.R. If that country were able and willing, it might be able to sell the United States 100,000 tons of raw asbestos at, perhaps, $50 per ton (The 1938 value of our imports from the U.S.S.R.) or $5,000,000.

JLU:dlm/lcm
/12/40

Regraded Unclassified

Mica

Uses: Mica is a strategic material used in the electric and radio industries. A large part of the world's mica production is of non-strategic mica, ground and pulverized for many purposes, including roofing.

United States Emergency Requirements: 12 months (U.S. Army estimate)

The War Department has estimated that the United States would need 2,600 short tons of strategic mica annually during an emergency (this appears low in view of peace-time consumption). It estimated that our production plus normal stocks could more than supply this demand. However, this conclusion was based on "contemplated exploitation of all domestic resources at unrestricted costs".

In the past, the United States has imported chiefly from British India. If anything should cut off the Indian supply, the United States might find it practical to import mica from the U.S.S.R. in order to curtail too sharp a price rise.

Soviet Mica Production

In 1935, the U.S.S.R. produced over 8,000 tons of mica, twice the 1934 output and exceeding British India's output. If the U.S.S.R. production expanded as rapidly as India's, Soviet production in 1938 would amount to over 14,000 tons.

The United States has imported no Soviet mica, nor is it known that the Soviet Union has exported any.

Conclusion

The United States might find it practical to import 1,000 tons of manufactured mica from the Soviet Union, which might cost $500 per ton or $500,000.

Regraded Unclassified

[redacted]

Use: Mercury is a strategic material, used in manufacturing fulminate for detonating high explosives and fixed ammunition. It is used also in drugs (calomel, corrosive sublimate, etc.) in paints for ship bottoms, in electrical apparatus, and instruments (barometers, thermometers, etc.)

United States Consumption 1937

The United States has in the past imported a substantial portion of its consumption: approximately half in years of high consumption and less in other years, with domestic consumption remaining relatively steady. Imports have come principally from Spain and Italy, with lesser amounts from Mexico. 1937 consumption was as follows:

Domestic production	16,500 flasks (76 pounds)
Imports from U.S.S.R.	None
Imports from other countries	18,017 flasks (76 pounds)
Less exports	484 flasks (76 pounds)
Apparent consumption	33,000 flasks (76 pounds)

United States Emergency Requirements: 12 months (Army estimates)

The War Department has estimated that requirements in an emergency would rise. The Bureau of Mines has recently (1939) estimated that the emergency requirements would amount to 36,000 flasks annually. Since domestic production has follows prices, it has been estimated that the United States output might reach 20,000 flasks under conditions of high emergency prices, to which can be added 2,000 flasks from Mexico. This would leave a deficit of approximately 14,000 flasks which could be supplied only by imports.

Since Spanish and Italian mercury might be cut off from a rising American market, the price might readily reach $100 per flask (it was $96.55 in Rome 1937). The cost of importing 14,000 flasks would be $1,400,000.

Soviet Mercury Production

Reliable information about Soviet production is not available. The Minerals Yearbook (quoting the Imperial Institute) places Soviet production at exactly 6,700 flasks in 1935, 1936, and 1937 (the latest year reported).

Regraded Unclassified

Mercury
(Continued)

which appears to be inaccurate in view of the rapid expansion of Soviet production in all other fields. This figure, however, would place the U.S.S.R. fourth in the world's mercury-producing countries.

It is probable that Soviet production has expanded rapidly in recent years. As far as can be determined, the U.S.S.R. has exported no mercury.

Conclusion

The United States is faced with a deficiency in mercury, since requirements are rising and since its two most important foreign sources of supply may be cut off. The U.S.S.R. may be able and willing to supply us with perhaps 7,000 flasks annually, which would cost approximately $700,000.

Regraded Unclassified

Chromium

Use: Chromium is a strategic material (of "first priority"), used in alloy steels, in refractories, in pigments, and in chromium plating (e.g., machine gun barrels).

United States Consumption: 1937

The United States depends almost entirely on imports for its supply of chromite, importing chiefly from British Africa, from the Philippine Islands, Cuba, and Turkey. The Cuban ore is of low grade, and is therefore used in refractories. It is understood that Turkey has agreed to sell chromite to Germany, a factor which (together with shipping difficulties) makes Turkey a doubtful source of supply. 1937 consumption was as follows:

Domestic Production	2,000 long tons ore
Imports from U.S.S.R.	None
Imports from other countries	354,000 long tons ore
Apparent consumption	356,000 long tons ore

United States Emergency Requirements 12 months (Army estimate)

The War Department has estimated that in an emergency, the United States would need 385,000 tons of chromite per year, using all possible substitutes. It estimated that domestic mines could produce 44,000 tons annually, which appears high in view of actual production (512 tons in 1936). Assuming its estimates to be correct, however, the United States would need to import approximately 340,000 tons per year.

Soviet Chromite Production

Soviet production data are not available for years since 1936, when their output was 217,000 metric tons. Production is probably appreciably higher at present, since it is known to have risen sharply through 1936:

1934	-	127,400 tons
1935	-	177,980 tons
1936	-	217,000 tons

Furthermore, Soviet publications claimed an inadequacy of chromite in 1936, while they claimed requirements to be 100 percent satisfied in 1938, when Soviet industry had expanded appreciably from 1936 levels.

Regraded Unclassified

Chromium
(Continued)

Soviet production now, it is felt, is probably well over 300,000 tons per year, a part of which the U.S.S.R. might be willing to export, especially since sales of the ore would in no way tax her refining facilities.

The United States has imported no chromite from the U.S.S.R. since 1936. As far as can be determined, the Soviet Union has exported none since that time.

Conclusions

If the United States, under an emergency and using substitutes, were to import half its 1937 importations, it would need to purchase abroad 277,000 tons of chromite per year, which would involve an approximate cost of $7,000,000 (using Army estimates of emergency prices). If the Soviet Union were willing to sell us 100,000 tons annually, the cost involved would amount to, roughly, $2,000,000.

Regraded Unclassified

Platinum

Use: Platinum is a critical material, used in making sulfuric and nitric acids, as well as in many laboratory instruments, electrical contacts, and manufacturing processes.

United States Consumption, 1937

The United States is largely dependent on imports for platinum, although a large part of the imports are in crude forms which are refined domestically.

U.S. Production (from imported materials)	87,000 troy ounces
U.S. Production (from domestic materials)	5,000 troy ounces
Imports of ingots, bars, sheets, etc.	
From U.S.S.R.	15,000 troy ounces
From other countries	47,000 troy ounces
Less exports (estimated	22,000 troy ounces
Apparent consumption	134,000 troy ounces

Imports of refined metal have come largely from the United Kingdom. Colombia has supplied a large part of our crude platinum imports.

U.S.S.R. production

The U.S.S.R. is known to produce annually between 200,000 and 300,000 troy ounces of platinum, probably nearer the latter figures.

Conclusion

The United States, in an emergency, would necessarily increase those industries which use platinum. However, the sale of platinum in consumers' goods (jewelry) would probably decline, possibly enough to offset the industrial increase. Nevertheless, we will have to import considerable quantities. The U.S.S.R., already on an export basis, might be willing to sell us 60,000 troy ounces annually, which would cost approximately $3,000,000.

Regraded Unclassified

Exhibit B

United States Trade with the U.S.S.R., 1937 - June, 1940

(Thousands of Dollars)

	1937	1938	1939	1940 (6 months)
U.S. Exports (including reexports)				
Vegetable food products	$ 3	$ 1/	$ 1,719	$ 2,351
Crude rubber	-	-	2,521	37
Other inedible vegetable products	721	59	35	47
Non-metallic minerals	6,362	5,844	3,020	186
Copper	457	13	4,949	10,898
Molybdenum and ferro alloys	3,776	3,268	6,984	241
Tin	-	-	1,012	1,852
Iron and steel products and other metals and manufactures	9,535	8,941	5,098	5,289
Metal working machinery	6,954	35,143	18,655	10,082
Aircraft and parts	3,213	5,171	2,905	-
Other machinery and vehicles	10,028	9,108	6,942	4,075
Chemicals and related products	424	846	213	-
Other articles	1,448	1,258	292	7,044
Total Exports	$42,898	$69,691	$54,437	$42,102 2/

1/ Less than $500

2/ Preliminary and not yet classified

Regraded Unclassified

Exhibit B - Continued

United States Trade with the U.S.S.R., 1937 - June, 1940

(Thousands of Dollars)

	1937	1938	1939	1940 (6 months)
U.S. Imports				
Edible animal products	$ 2,176	$ 1,388	$ 1,620	$ 77
Furs	11,698	12,397	12,454	6,095
Other inedible animal products	1,299	760	1,176	260
Inedible vegetable products	635	779	1,229	544
Textile fibers and manufactures	1,854	1,566	960	331
Wood and paper	1,939	511	317	-
Asbestos	458	261	110	-
Other non-metallic minerals	1,185	1,199	1,359	-
Manganese ore	3,960	2,662	2,204	2,698
Platinum	695	964	540	-
Other metals	258	13	565	-
Chemicals	838	752	1,163	-
Other products	245	310	807	1,443 1/
Total Imports	$27,240	$23,502	$24,494	$11,448

Treasury Department, Division of Monetary Research. September 12, 1940

1/ Preliminary and unclassified

Source: U.S. Department of Commerce

WLU:lrs
9/12/40

Regraded Unclassified

TREASURY DEPARTMENT

INTER-OFFICE COMMUNICATION

DATE July 15, 1940

TO Secretary Morgenthau

FROM Mr. Foley

For the Secretary's Diary

In accordance with your arrangement with Mr. Jones, I attended a conference in his office from 11:30 to 12:30 Friday morning, July 12th. In addition to Mr. Jones and myself there were present Messrs. Emil Schram, Chairman of the Board of Directors of the RFC, Claude Hamilton, General Counsel of the RFC, and Chuck Kades.

We first discussed the Wright Aeronautical Corporation matter. I told Mr. Jones that Mr. Van Anda had stated to Mr. Kades yesterday that nothing had been heard from the RFC concerning the proposed loan agreement. Mr. Hamilton stated that he had received a photostat of the draft agreement from Mr. Hotchkiss the first part of the week. (Both Mr. Hotchkiss and Mr. Van Anda are partners in the firm of Spence, Windels, Walser, Hotchkiss & Angell which represents Curtiss Wright and Wright Aeronautical.)

I stated to Mr. Jones that this photostat was a copy of the draft agreement which I had sent to Mr. Schram on June 25th, and Mr. Schram recalled having received it. Mr. Jones then stated he had been waiting to hear from Wright Aeronautical Corporation that the Advisory Commission of the Council of National Defense had awarded the contracts for the engines to Wright Aeronuatical Corporation and I explained that such an award would have to come from the War Department or the Navy Department, or both, and that the financing of a new plant in which to build the engines had to be carried out simultaneously with the placing of the orders, to which Mr. Jones nodded assent.

Regraded Unclassified

Mr. Jones then asked about the ruling relating to amortisation and I handed him a copy of the ruling and the proposed closing agreement as well as a copy of the letter from Wright Aeronautical Corporation requesting the Commissioner of Internal Revenue to make a ruling to which was attached a copy of the letter from Mr. Jones to Mr. Gordon, Vice President of Curtiss Wright in charge of Wright Aeronautical Corporation. Mr. Jones read the file carefully and asked to see a copy of the regulations upon which the ruling was based which I showed him and which he indicated he thought was very sound and would be useful in many situations. He asked to keep the file so that the ruling could be studied in relation to the possible changes in the plan of financing and I left everything with him.

At the conclusion of our discussion of the Wright Aeronautical Corporation's application for a loan from the RFC, Mr. Jones stated that Mr. Schram and Mr. Hamilton would get in touch with Mr. Hotchkiss and Mr. Van Anda the early part of next week with a view to having them come to Washington for a further conference and for working out the details of the transaction.

We then discussed the Packard--Rolls-Royce matter. Mr. Jones stated that it was the opinion of the RFC that since a large portion of the engines were to be manufactured for the British, the facilities were not being constructed for "national defense" within the meaning of the Act of June 25, 1940, authorising the RFC to advance funds for such purposes. I replied that I thought this interpretation of the law was wrong and that since the new facilities, even though temporarily used to manufacture engines for the British, would always be available for the manufacture of engines for the United States and since the Government could at any time give priority to orders for engines for the Army and

Regraded Unclassified

the Navy under §120 of the National Defense Act of 1916, it was a reasonable construction to hold that such facilities were for the "national defense". Mr. Hamilton stated he thought the legislative history did not support my interpretation and I suggested that the matter be referred to the Attorney General for an opinion but Mr. Jones stated that regardless of what the Attorney General might rule he did not want to do it any way. I suggested that as an alternative the financing might be done under the Glass-Stegall Bill of 1938 which authorized the RFC to make loans to industry, but Mr. Jones said that Packard was not willing to give acceptable security such as a mortgage to come within the stricter requirements of that bill.

Mr. Jones said that it was his understanding that the British had deposited $25,000,000 in escrow to secure Packard against the possibility of the cancellation of orders and that this $25,000,000 would be used only in payment of the last batch of engines and would be left untouched until that time. Mr. Jones thought that if the $25,000,000 was utilized to aid in financing the expansion of Packard, he could advance the balance of the funds needed by Packard. I told him I did not know any of the details of the arrangement between Packard and the British or between Packard and the Advisory Commission but that I thought if the agencies of the Government concerned would get together there was sufficient ingenuity to work out a plan satisfactory to all concerned, and Mr. Jones said that he felt the same way and that he was not averse to taking risks where necessary to get the program under way.

Mr. Jones mentioned that officers of Colt's Patent Fire Arms Manufacturing Co. had recently spoken to him about funds for the purchase of jigs, tools, dies and special machinery which they wanted installed in the Colt's plant but that

Regraded Unclassified

they did not want to be under any obligation to repay the funds so advanced, nor did they want the Government to have any right or title to the special machinery which would be purchased with the funds and Mr. Jones indicated he thought this attitude was unreasonable.

Mr. Jones asked me who it was in the British Purchasing Commission who spoke for the Commission, and I said that it was my understanding that Mr. Purvis was the one to talk to on the Rolls-Royce matter. Mr. Jones asked where Mr. Purvis' office was and I stated that it was in New York but he was always willing to take a plane and come to Washington whenever requested.

We discussed the possibility of handling the Rolls-Royce matter along the lines of the British-Wright Aeronautical leasing arrangement and Mr. Schram asked if we would send him copies of that contract and lease.

Mr. Jones asked whether it would not be possible for the Treasury to revise its regulations relative to depreciation and obsolescence so as to provide for rapid amortization of the cost of new facilities acquired for national defense purposes without waiting for the enactment of the excess profits tax with the special amortization provisions. I explained at considerable length to Mr. Jones that the Treasury had to treat all taxpayers alike and could not discriminate in favor of any particular group of taxpayers such as private manufacturers of armament. I explained to him that whatever rate of depreciation and obsolescence was permitted for buildings and machinery used to fill national defense needs would also have to be applied to buildings and machinery used for other production and that it was essential that the Treasury have statutory authority to make any distinction.

Regraded Unclassified

Regraded Unclassified

Mr. Jones stated that he thought that this was a very reasonable position and that he now understood why the Treasury could not handle the amortization question administratively. I stated to Mr. Jones that there had been a great deal of confusion and misunderstanding on this score but whenever we had had an opportunity of explaining the problem, the need for new legislation became apparent. I referred to the Arthur Krock column which appeared in the New York Times on Wednesday, July 10th, as an example of the prevalence of misinformation and told him how utterly unfair and prejudiced the column was.

I explained to Mr. Jones that after a conference last week at Mr. Knudsen's office with Mr. Biggers, Dr. Mead and representatives of Wright Aeronautical Corporation at which the Vinson-Trammell Act and special amortization deductions had both been considered I had stated to you that I thought it was essential to repeal the Vinson-Trammell Act and that you had asked for a memorandum on this subject. After you had considered the memorandum you stated on Monday that you were convinced that the Vinson-Trammell Act was discriminatory, ineffective and was delaying the execution of important contracts, and that on Monday at a conference at the White House you recommended that the Act be repealed and that some special amortization allowances be considered in conjunction with an excess profits tax. I also told Mr. Jones that the President had stated to you that he wanted to consider these matters but that you should discuss them with the legislative leaders, and that on the next day, Tuesday, at a conference in your office attended by Senators Harrison, King and George and Congressman Jere Cooper, Chairman of the Tax Subcommittee of the Ways and Means Committee, you had laid the proposal for the repeal of the Vinson-Trammell Act and provision for special amortization allowances, as part of a general non-discriminatory excess profits

Regraded Unclassified

tax, before the group. After some hesitation and considerable discussion the legislative leaders agreed with your suggestions and the result was the plan worked out during the conference at the White House on Wednesday which Mr. Jones had attended along with Mr. Knudsen, Senator Harrison and Congressman Cooper, in addition to you, John Sullivan and myself.

I told Mr. Jones that I thought that the speed with which the Treasury had acted showed that the Treasury, at least, was prepared to do everything within its power to expedite the national defense program and that the War and Navy Departments must perform their function of awarding the contracts, the RFC its function of financing new construction, and the Treasury its function of coordinating British procurement with domestic procurement and working out a tax policy, all in close coordination if the program was to succeed.

Mr. Jones said he realized that the Treasury was trying its best to expedite the progress of the national defense program and said he was willing to do his part to get things done quickly. He said he was in hearty accord with the repeal of the Vinson-Trammell Act and thought that a steeply graduated excess profits tax of general application was the fairest form of taxation and would help prevent corporations getting too big and having monopoly positions. However, he said he thought that the amortization deduction for special national defense facilities should be permitted regardless whether the financing was done by the RFC or by private banking institutions and that otherwise we were going to get into a most confused situation especially where some of the facilities would be financed from both sources plus existing corporate reserves for plant expansion. I told him that I agreed that any manufacturer whose new facilities were certified by the Army and Navy and the Advisory Commission as being immediately

necessary for national defense purposes should be permitted to amortize over a five-year period such additional facilities, without regard to the sources of the funds used to construct the new plant or purchase and install the new equipment, and that you had an open mind on the subject and that was the reason why you said to him at the White House you would be willing to discuss the matter with him at any time over a glass of milk.

At the conclusion of the conference Mr. Jones seemed to be in a very amiable frame of mind and indicated that he was ready and willing to cooperate to the fullest extent possible. He clearly showed his feeling that the Treasury was doing its part and that the ruling in the Wright Aeronautical case was going to be very helpful.

E.M.F.

Regraded Unclassified

CONFIDENTIAL FOR YOUR INFORMATION

July 15, 1940

To: The Secretary

From: Mr. Young

Friday morning at 10:15, Colonel Burns and I met with Secretary Stimson to confer on the latest "Canadian Army Requirements", copy of which is attached. I explained to Secretary Stimson that a great many of the items included in this list had already come up for discussion by various persons in the War Department, but that, due to the increasing urgency of the situation, these items were submitted for reconsideration.

Secretary Stimson read the list over item by item and discussed it informally with Colonel Burns. The result of the conference was that Secretary Stimson asked Colonel Burns for a complete survey of all Army stocks, including ammunition, as well as a survey of all items on order together with production schedules therefor. Colonel Burns stated that he would submit this material to General Marshall together with the "Canadian Army Requirements" and that then General Marshall would discuss it with Secretary Stimson. The Treasury is to receive an answer on this list today.

Friday at 3:00 P.M., Admiral Spear and I met with Secretary of the Navy Knox, and the latter in turn requested Admiral Furlong and Captain Deyo (Aide to Secretary Knox) to attend the conference. I followed the same procedure at this meeting that I had used with Secretary Stimson, explaining some of the background, some of the new legal questions involved, and emphasizing the fact that some of the items contained in the attached list, "Canadian Naval Requirements", were resubmitted for reconsideration.

Secretary Knox discussed the list informally with Admiral Spear and with Admiral Furlong. I asked Admiral Spear to submit

Regraded Unclassified

an answer by Monday, if possible, at which time I expected an answer from the Army. In addition to the items included on the list, I raised the question with respect to the 400 Thompson sub-machine guns and the 4,093 Browning automatic rifles which had been released by the Navy at a previous date but which had never been made available to the British, because the War Department could not dispose of those items under the old legislation.

Admiral Furlong stated that the release of the Browning automatic rifles would have to be withdrawn inasmuch as these rifles were now being purchased and could not be declared surplus. Concerning the 400 Thompson sub-machine guns, however, the release was not definitely withdrawn, and Admiral Furlong is studying this situation further.

Both Secretary Stimson and Secretary Knox were extremely cooperative, exceedingly pleasant and expressed their willingness to do whatever they could in the interests of the British with whose cause they were personally sympathetic.

PJ.

Regraded Unclassified

CANADIAN ARMY REQUIREMENTS

I have received the most urgent request from Canada to ask your co-operation in obtaining the following stocks of war equipment of which they are badly in need:

1. 280,500 Lee Enfield rifles with as much ammunition as can be supplied.

2. 594 Preferably British pattern, 75 m.m. field guns with 1,000 rounds of high-explosive shells per gun.

3. 20 or more, complete 155 m.m. guns (comprising guns, carriages, sighting gears, normal tools and spares) with 500 complete rounds of ammunition and 600 primer tubes per gun.

   What platforms are available?

4. 20 Anti-tank guns with 500 rounds per gun.

5. Small calibre guns for anti-torpedo boat work.

   a) 20 or more guns with 2,000 complete rounds of ammunition per gun either armour-piercing or high explosive are desired.

   b) The following types of guns might be desirable:

      3 pounder guns on pedestal

      6 pounder guns on pedestal

      3 pounder naval guns on pedestal

      3 pounder naval landing guns

      Rate of fire of ten rounds per minute is wanted.

Regraded Unclassified

6. 200 Small calibre anti-aircraft guns with 2,000 rounds per gun.

7. 50 Anti-aircraft guns, medium calibre with 1,000 rounds per gun.

8. 200 Vickers machine guns for land service, with complementary ammunition.

9. 600 Lewis machine guns for land service with complementary ammunition.

10. 500 Thompson sub-machine guns with 1,000,000 rounds of .45 calibre ammunition.

The ammunition desired is armour-piercing with penetration equal to 2 1/2 inches at normal on 50 ton steel plate at 5,000 yards. If this is not available, can high-explosive (fused) shell be supplied instead?

Hand books and range tables would be desired.

A.B.P.

July 11, 1940

Regraded Unclassified

CANADIAN NAVAL REQUIREMENTS

The Canadian Government has requested me to ask your co-operation in obtaining the following stocks of Naval equipment of which they have urgent need:

1. 50 BL 4-inch guns, mountings, ammunition, tools and spare parts. The ammunition desired is 150 service and 150 practice rounds per gun.

2. .50 calibre Colt guns and mountings. Requirements are:

   100 in number by the 1st of September 1941, with 50 in number twin mountings.

   400 in number before the end of June 1941, with 200 in number twin mountings.

3. 50 Modern dual-purpose guns

4. 640 Depth charges

5. 50 Each of: range finders, and range deflection transmitters and receivers

6. 6 Search Light Controls

7. a. 25 simple type coincidence range finders, about 9 ft. base with ship mountings. (R.N.)

   b. 100 simple type coincidence range finders, about 1 metre or 80 centimeter base with belt or rail mounting. (R.N.)

Regraded Unclassified

8. a. 50 height finders

b. 20 range finders

(American coincidence type of range finders and height finders of 12 to 18 foot base length required for fitting in control towers, with the stipulation that if possible, maximum diameters of 9 inches for the smaller range finders and height finders, and 17 inches for the larger range finders should not be exceeded.)

9. * U.S.A. Naval type wireless telegraph sets for installation in destroyers and cruisers.

It would be greatly appreciated with regard to the instruments -

a. If they could be released to us from stock, or

b. If we could be permitted to place an order for their manufacture with a sufficient priority to enable us to obtain them as soon as they could be manufactured. In the latter connection, we would like to know the names of suitable firms for manufacture.

These requests are being made most urgently because it is not now possible to obtain the materials referred to from sources which had been previously open to us.

Regraded Unclassified

3.

C.T.B.

* Can the designs for the wireless telegraph sets be released to an American manufacturer in the event of our placing a substantial order?

What information can now be given to us with regard to the firms which could undertake such an order as to the possibility of deliveries, as to frequency of range, as to power of supply required and as to size of set and cost.

July 12, 1940

Regraded Unclassified

Regraded Unclassified

CONFIDENTIAL FOR YOUR INFORMATION

July 15, 1940

To: The Secretary

From: Mr. Young

Attached herewith is a memorandum of July 12th, received from Mr. Purvis, inquiring as to whether the new export control system will embrace Swedish orders for Republic and Vultee airplanes. The request is renewed either for the Army to take over these orders and release some older planes to the British, or for some method whereby the United Kingdom could take over these orders directly.

In the report of July 3rd, received from Colonel MacMorland, it is noted that Sweden has on order 153 Republic and 156 Vultee planes. Both of these types are pursuit planes.

Also attached is a memorandum of July 9th, received from Mr. Purvis, requesting Norden bomb sights. The arguments used for the release of this bomb sight are that the British sight is just as good, that the German sight is just as good as either the United States or the British model, and that every effort will be made to prevent the bomb sight falling into German hands. The request arises from the fact that the United Kingdom production of stabilized bomb sights is slow.

RY.

Secy has not seen. P.Y. has copy. lj 7-15-40

561

AIDE MEMOIRE FOR MR. MORGENTHAU

It is desired to obtain consideration as to whether the new export control system applicable to certain materials, will be applied to embrace Swedish orders for Republic and Vaultee Fighter aeroplanes.

In a conversation with you early in June it was suggested that the United States Army Air Corps might exercise its priority rights to embrace the aeroplanes on order by Sweden. At that time the United States Air Corps did not feel the necessity for these aeroplanes.

Having regard to the fact that Germany has since strengthened her strategic position and in the light of present circumstances, a strong hope is expressed that, should restrictions be applied upon the export of the planes ordered by Sweden, it will be found possible to release a corresponding number of service planes from the United States Army or the Navy Air Corps for purchase by Britain.

Alternatively the United Kingdom Government would be grateful of an opportunity to consider purchase of these aircraft if the restriction referred to above should be applied to them.

A.B.P.

RECEIVED

Regraded Unclassified

VERY SECRET

Secy has not seen. P.Y. has copy. 7-Dec-40

562

MEMORANDUM FOR MR. MORGENTHAU

The United Kingdom Government is extremely anxious to obtain a supply of the Norden bomb sights, and indeed of any other bomb sights - however elementary - which are stabilised. The United Kingdom is interested primarily in obtaining sights from stock, though priorities in the next few months would also be extremely valuable.

Brigadier General Lindemann, who is on this side, advises that it is not a question of obtaining information as to the American sight, the point being to obtain the sightxs themselves. The United Kingdom is prepared to show, and they hope to convince, the United States attaché or anyone that he cares to nominate, that the British sight is the equal of the Norden, and therefore that there will be no danger in giving us the release in question.

There may be a feeling of danger that the sight may fall into German hands. Here the United Kingdom Government believe the Germans also have a sight as good as the best U.S. or British models. Every effort will be made to prevent the bomb sight falling into German hands, however, because of the great loss which might otherwise result to the Fleet. This anxiety is in itself a guarantee that everything possible will be done to prevent the sights falling into enemy hands. Naturally also, any suggestions as to methods of destruction in the event of forced landings or crashes over enemy territory would be welcomed, if the adoption of these were important to the release of the sights.

The reason we are making this application is that our production of new stabilised bomb sights in the

Regraded Unclassified

United Kingdom is disappointingly slow. The matter is very urgent, and your assistance would be appreciated greatly by the United Kingdom Government.

New York

9th July, 1940

RECEIVED
JUL 12 1940
Treasury Department
Office of Secretary Morgenthau

Regraded Unclassified

RE DEPARTURE PERMITS

July 15, 1940
2:30 p.m.

Present: Mr. Bell
Mr. Berle
Mr. Harris
Mr. Bernstein
Mr. Foley
Mr. Young
Mr. Cochran
Mrs Klotz
Mr. Cairns

H.M.Jr: I will have to call up General Watson and tell him that I am broke and the President is going to have to ask me to do this.

Berle: You want me when I get back to call up General Watson and tell him the Treasury is broke, so far as Coast Guard is concerned?

H.M.Jr: That is all.

Berle: I will do that.

H.M.Jr: And if the President wants us to do it, he will have to call me up. Mr. Roosevelt has received from me everything he has asked for for seven and a half years, and I can't get anything today and I am just going to sit tight now.

Berle: All I can say is that as far as I am concerned, it is entirely justified, but I have just been watching Greenland and if it finally develops that there is a submarine base or an air base or something of that kind --

H.M.Jr: Right, and if the Coast Guard is so poor that the great Army and Navy haven't got the equipment, every time there is any boat out at sea - for three months the Navy wouldn't have that Northeastern patrol. I took it all winter. My ships were racked from stem to stern while the Navy played in the sun off Guantanamo and then when I come along with an appropriation which is about one one-thousandth of what the Navy wants, I can't even get the President to see Admiral Waesche. I am just going to sit tight until the President calls and then I will tell him. In the meantime, I will make

Regraded Unclassified

preparations so she can go.

(Discussion off the record)

Berle: I will agree that I will call up General Watson and tell him that as far as Coast Guard is concerned, the Treasury is busted, and then I will stop.

H.M.Jr: That is all right, but Mr. Roosevelt is going to have to call me. I am serious. We get these things all the time and why suddenly the Coast Guard should be the stepchild, I don't know, and I don't know any other way to get the money.

Berle: I am so accustomed to being a financial stepchild, because the State Department hasn't had an increase in promotion money for I have forgotten how long.

H.M.Jr: Whenever there is a difficult job to do, we have got to do it and we can't get the money. I am serious. I can't get a dollar.

Berle: I know exactly how you feel.

H.M.Jr: I understand you wanted a plane put out on another cutter and sent up there.

Berle: Yes. That seems to be the - Admiral Waesche has all the facts. The Army tells us and we agree that they ought to have that surveyed. If there is nothing there, we are suited.

H.M.Jr: I take it you want an Army observer, not a Navy observer.

Berle: I don't care which observer it is, myself.

H.M.Jr: I am telling you that I will get the thing ready so we don't lose any time in case Mr. Roosevelt should telephone me.

Berle: By accident.

Regraded Unclassified

H.M.Jr: But in the meantime, I am going to sit tight.

Berle: That is all on this, I guess.

H.M.Jr: All right. Now, before we go on the other thing, Sir Frederick Phillips is here. We started our talks. I wish you would tell Mr. Hull. I think the way that would be easier for me is, as something important happens, I think I will have a memorandum drawn up and tell it to Mr. Hull and if at any time he wants me to ask him anything or has any suggestions, I would welcome them. I think that would be the easiest way.

Berle: Mr. Hull, you know, will be leaving for Havana on Thursday.

H.M.Jr: And you are going with him?

Berle: I think so.

H.M.Jr: Who is going to take your place on these other meetings? You had better ask Mr. Hull. We are just getting nicely started.

Berle: You know, most of the State Department being better trained and wiser than I am, they don't go out on the end of so many limbs or quite as fast.

H.M.Jr: What do they call that restaurant, Sloppy Joe's? I would bring it up here if you would stay here.

Berle: It is a horrible place.

H.M.Jr: I have never been there.

Berle: Don't go.

H.M.Jr: This is known as my shipholding committee.

Regraded Unclassified

Berle: May I also make an observation about that? This comes in the nature of confession. The question was raised about that ship for Casa Blanca. This morning I got a call from my former law firm in New York --

H.M.Jr: (To Lieutenant McKay) Mac, tell Admiral Waesche to be ready in case we do want to send the ship, in case the President should ask me, an airplane to Greenland, to work it out, you see, what would be the way to do it. He knows?

McKay: He gave me three propositions and recommended one.

H.M.Jr: You give them to me afterward.

Berle: This morning my former law office in New York telephoned me to find out whether there was a blockade between France, including Casa Blanca, by the British. It then developed that they had been retained - the problems arising from the sugar which was to be shipped to France, including this Casa Blanca shipment. If I had known that, I would not have even opened my head about that Greek ship which turns out to be one of a number of ships involved in it. I had not the remotest idea when I talked about it. I merely mention that fact now. Therefore, if you want to cancel any advice of mine, please feel free to do so. It is just one of these damn things that happen.

H.M.Jr: On the record, I take full responsibility because it was after consulting with everybody. It was concerted action.

Who knows what ships are being held?

Cairns: We are holding three ships and McKay just handed me the fourth. We are holding two Texas tankers at Port Arthur. We are holding the Finnish Koura carrying oil to Finland. The fourth vessel which I have just been handed is a Norwegian steamship, the Simla, at Philadelphia. No request made yet for departure, but pertinent facts are now

Regraded Unclassified

presented. The destination is the United Kingdom. The ownership is the Royal Norwegian Government. It is operated by the British Ministry of Shipping and is chartered to the British Iron & Steel Corporation, Limited, London. The vessel is at anchorage in the stream. No arms. It has loaded 7,000 tons of steel billets. The master of the vessel is an outspoken Nazi sympathizer; has expensive short-wave radio receiving set and receives Berlin broadcasts; vehemently denounced the British to the boarding officer, vowed he would take the ship to Norway if possible; boasted two successive evasions of the blockade.

This next sentence doesn't make any sense to me.

Avers he will go to no port in the British Isles except Glasgow. Crew will not work vessel unless paid a bonus and refuse to work vessel from dock to anchorage in stream. Formal request for departure to follow.

Here is a supplementary note.

Office of Collector Mr. King while talking to me by phone mentioned that this vessel was having crew trouble, probably because she intends to run the British blockade and take cargo to Germany.

H.M.Jr: Well, let's let that one pass for a minute. As I get the thing - I didn't read your report - a thumbnail sketch to bring Mr. Berle and me up to date on the two American flag vessels in Texas.

Cairns: We had a conference in Mr. Foley's office with T. E. Buchanan, the General Manager of the Marine Department of the Texas Company, and L. A. Moricca, Assistant to the Manager of the Export Department. They were told that careful consideration had been given to the issuance of departure permits for

Regraded Unclassified

the two American flag vessels and the Swedish vessel. They were asked if they knew the value of the cargoes of the two American flag vessels. They stated that the Nevada cargo was valued at $290,000, including $180,000 freight, and the Aryan, $380,000, including $180,000 freight. They were asked if they could furnish estimates of the amount of petroleum products moving to Spain for the six months period beginning July 1, 1940. They had no definite figures, but their best estimate was 70,000 tons a month.

H.M.Jr: And the next move is from them, isn't it?

Cairns: Yes. They were unable to state whether or not this represented Spain's normal peace-time needs, but as we left it with them, they understand that if any more vessels carrying Texas oil move from the United States, they should first present this estimate, with a justification. They were told that it had been decided to permit the Bera, which was a Swedish vessel, to depart and to hold the two American vessels. They were told also that the Treasury representatives were not in a position to state the reason for the decision.

We then suggested to them the steps that might be taken to relieve them of financial loss. They said that was a policy matter they could not discuss, but we would probably hear from another representative of the company.

H.M.Jr: We haven't heard?

Cairns: No.

H.M.Jr: So we don't have to do anything. We are all right on that.

Now, on the thing we fussed so much about, the Vel-Ragnar, she has sailed?

Cairns: No. They applied this morning for the permit.

Regraded Unclassified

We were told that all the ammunition had been taken off, the Pratt & Whitney engines were off, the magnesium was on and the aluminum was on. We gave them the departure permit.

H.M.Jr: I am not fussing about the aluminum and magnesium. I talked again to General Watson this morning. He called me up about this thing. I said, "This is all right, we will let it go, but please cancel all outstanding permits." I said, "Send Colonel Maxwell over there once more and I think you will get a better reception this time."

Cairns: You also wanted to know when the Bera sailed. It sailed Saturday morning at 7:00 a.m.

H.M.Jr: There were two down at Port Arthur.

Cairns: And the Koura at Philadelphia.

H.M.Jr: Is that the one with the 7,000 tons of bullets or is there another one?

Cairns: This is another one, this is a new one. We are holding just three vessels, two at Port Arthur and this Finnish vessel carrying oil to Finland.

H.M.Jr: Then that is a new case.

Cairns: Since our last conference.

H.M.Jr: Now, what do we do about oil for Finland? Does it go to Petsamo?

Cairns: Yes.

H.M.Jr: That is a new case.

Cairns: Yes, it came in Saturday.

Berle: The state of affairs is that the Russian preparations for either a big defense or a big offense are increasing by the minute. The

Regraded Unclassified

German troops are piling up in East Prussia. It is assumed that Russians will make demands on Finland fairly soon. Probably the Germans would support the Finnish in that case if they could get an agreement out of their Government to do so, Finland being one of the probable battlegrounds. I should be inclined to think that the bulk of this oil probably would be consumed in Finland as things go now. I doubt if it would get very far away from there.

Cairns: These are round numbers. 160,000 gallons of Gulf furnace oil, 371,000 gallons of 68 octane gasoline, 371,000 gallons of 68 octane gasoline, 2,000 drums of lubricating oil. That is 113,000 gallons.

Berle: The bulk of that are munitions. The low octane --

H.M.Jr: That is not good for fighting planes.

Berle: Except that they doctor it, I suppose.

Cairns: There is also coffee, sugar and wheat on board.

Berle: Coffee, sugar and wheat are something that ought to go.

Bell: Do they have any difficulty getting through to Finland now?

Harris: No.

Berle: There have been some actions off Iceland. The British have a control station at Reykjavik. My Icelandic is poor.

H.M.Jr: Sounds all right to me.

Berle: Boats have been getting through to Petsamo. The blockade, I think, is sketchy up there. My instincts would be to let it go.

Regraded Unclassified

H.M.Jr: Mine also. Dan?

Bell: It is all right.

H.M.Jr: Let's let her go. Now, let me read this a minute.

"Mr. Cameron telephoned me from the Federal Reserve Bank this morning. He stated that a cablegram had been received from the Central Bank of Lithuania authorizing the transfer from its gold earmarked account with the Federal of $2,750,000 to the account of the State Bank of Russia. This would leave only about 1,800 ounces of gold in the Lithuanian earmarked account with the Federal. There is a dollar balance of approximately $48,000. The Federal has not yet received the necessary wire from the State Bank of Russia to accept the transfer. Consequently it will not take place today. I told Cameron in confidence that we were studying the problem of balances in Baltic countries and that he should consult us further on Monday before taking any action. He promised to send copies of the Lithuanian cablegram to us today, as well as any message that may be received from Russia.

"At 12:45 noon Mr. Livesey telephoned me from the State Department to the effect that Mr. Henderson, in charge of the Russian section of the State Department, was again discussing in the Department the reported withdrawal from banking accounts in New York of the three Baltic countries of Lithuania, Estonia and Latvia. I told Livesey that we had prepared a letter for the Department of State, at their request made two days ago, giving the balances of these three countries on the American market. I reminded him that we had had up with the State Department some days ago the question of applying our control to this area, but that the State Department had opposed such action. Mr. Livesey stated that his Department desired that the Treasury ask the

Regraded Unclassified

following banks: the Federal Reserve Bank of New York, National City, Guaranty Trust, Irving Trust, American Express Company, and Chase National Bank not to permit any important withdrawals from Baltic accounts until after consultation with the Treasury. Livesey said this was a temporary arrangement pending the return of Mr. Berle from New York so that he may be consulted on a definite program.

"I telephoned the Federal immediately after receiving this message, but did not reach Mr. Cameron until 3 p.m. I told him that if he did not hear from us to the contrary before the opening of the New York banks on Monday morning, he should informally solicit the cooperation of the above-mentioned banks in the sense desired.

"I telephoned Under Secretary Bell at 9:30 a.m. Sunday, to give him the above story."

Berle: We have been discussing that with a good deal of care. That raises some pretty hard issues. Our conclusion is that those balances of those three Republics now ought to be blocked. The Latvian Minister has come into the Department and presented us a memorandum stating in substance that the Soviet demands represent an encroachment on Latvia and he has asked that. I am not aware of a similar action either by Lithuania or Esthonia. On the other hand, it is perfectly plain that these countries are now about to be completely engulfed, whether in form or in fact. The fact probably will be that they will be put in the Communist Government and Lithuania later swallowed, but that seems to be the case.

I think you have to draw a distinction. I don't know that it matters very much whether the gold is transferred to the State Bank of Russia or not. It seems to me if practice is blocked and the Russians argue about it, it is quite all right. I can envisage the situation where we might for reasons of our

Regraded Unclassified

own want to be very tender with the Russians.

H.M.Jr: But in the meantime, you would block all three countries?

Berle: I think so.

H.M.Jr: Suits me. We have been wanting to do it for some time, haven't we?

Bell: We talked about it at the time we talked about the Germans and the French and the Italians.

Cochran: Because cablegrams now show that the central banks in each one of these three countries have been asked to transfer all of their gold holdings to the Russian State Bank.

Bell: And that has been confirmed, hasn't it, this morning?

Cochran: Yes. We had a second cablegram. That was from the Lithuanian Bank. Then we had the complementary cable this morning from the State Bank of Russia. Now we have one from Latvia requesting the transfer and then we have one from the diplomatic officer stating that the Esthonians have been requested to turn theirs over.

Berle: I should like to state that that does not necessarily cancel the possibility of granting licenses either to the Esthonians or to the Russians, as the case may be. I think you have to hold a flexible arrangement there.

H.M.Jr: I just want to say this. If you by any chance are going to come in tomorrow and ask us to release this, I would rather let this slip through my fingers than give a precedent of, once having blocked it, then turning it over, and give the Germans that precedent to go on.

Cochran: We have two things to act on today.

H.M.Jr: I would rather let it slip through.

Regraded Unclassified

RE EXCESS PROFITS TAX

July 15, 1940
4:20 p.m.

Present: Mr. Paul
Mr. Sullivan
Mr. Foley

Sullivan: When I asked for this appointment, Mr. Secretary, it was because in our original conversations we talked of a spread of allowable exempt profits of six to twelve percent and both you and the President thought that the top should be dropped down to ten and in the memorandum we gave, we spoke about our discriminatory treatment in favor of the small corporations as against the bigger ones and it now appears to them --

H.M.Jr: Who is them?

Sullivan: Well, the economists and Mr. Paul and Mr. Tarleau. It appears to them that the more feasible way of working out a discrimination in favor of the smaller companies is by raising that ceiling from ten upward and I told them that before anything like that was drafted in that law, I thought I should clear with you.

H.M.Jr: How do you do that? That is a new language to me, discrimination in favor of. I have always heard the word used as meaning against.

Sullivan: Well, if it is against somebody, it has got to be in favor of somebody else.

H.M.Jr: All right.

Sullivan: On the memorandum we brought over to the President, you remember it was under that we were to allow a corporation at least four percent of its invested capital and not more than ten percent and in between there, we were to allow them whatever they made in the base period and the suggestion has been made that in the case of the corporations with total assets of less than $500,000, that be spread from six to fifteen rather than from four to ten. We might want to end up six to twelve or something of that sort.

Regraded Unclassified

Paul: That is my view, that it is as far as we should go, six to twelve. I don't think we should go up to fifteen, but I do think we ought to do something for the small corporations.

H.M.Jr: Let's just talk for argument's sake. Six to twelve as against four to ten. Is that the theory for the fellow with - you say a half a million?

Sullivan: Less than half a million.

Paul: Well, the theory is, the way we put it is, that that is the rate on the first five hundred thousand of capital. That is the way we have been talking. It isn't only for the small fellow, it is on the first five hundred thousand. That is the way we have been talking.

Sullivan: That is right.

Paul: Otherwise, we would be discriminating very grossly against the bigger corporations, but of course it doesn't make any difference with the big man, it is infinitesimal, but for the small man it is life or death. A billion dollar corporation such as General Motors, this is just a drop in the bucket.

H.M.Jr: Would you give them the first five hundred thousand exemption, to General Motors?

Sullivan: Oh, no, not five hundred thousand.

H.M.Jr: No, but I mean he can make six to twelve on the first five hundred thousand? Is that what you're talking about?

Paul: It is utterly insignificant in the General Motors case, because they have over a billion dollars invested capital and I don't like to discriminate in saying only the very small corporation shall have it and Mr. General Motors shall not have it.

Regraded Unclassified

H.M.Jr: If you are coming in here - and I am just arguing - I certainly would start with a hundred thousand.

Paul: That is on the theory, I take it, that that would be raised.

H.M.Jr: Just the way it is on taxes. A corporation is twenty-five thousand, isn't it? Isn't that where you start on income tax for corporations?

Sullivan: Income tax is below that. That is a present rate of almost 21 percent.

H.M.Jr: But isn't twenty-five thousand a jumping off place?

Paul: On the income tax.

Sullivan: Yes.

H.M.Jr: Well, if this is the way to do it - are you convinced it is?

Paul: I am convinced we have got to do it. I hold no brief for any particular figure, whether it is a hundred or five hundred. I think a hundred is a little low, but five hundred is a little high.

Sullivan: I think two fifty. That means all their assets, borrowings and everything.

H.M.Jr: I know. Believe me, there is a lot of businesses in Poughkeepsie with 40 or 50 thousand people that a hundred thousand dollars looks big to and that goes for Albany, too, and Jamestown, the birthplace of Robert Jackson.

Foley: Albany has about 130,000.

Sullivan: It probably looks bigger.

H.M.Jr: I still say 100,000. I don't know about the principle.

Regraded Unclassified

Paul: I am satisfied about the principle and I don't know about the hundred thousand.

H.M.Jr: What do you think, Ed? I can't tell with your face like that whether you are for or against it.

Foley: Well, this is as new to me as it is to you.

H.M.Jr: Listen, can't I sleep on this? Have you got to have an answer tonight?

Sullivan: No, that is all right, if we can have it in the morning.

H.M.Jr: Who are the economists?

Sullivan: Shoup and Blough.

Paul: I think they are right in this principle.

Sullivan: They are right on the principle, but I didn't dare let them go ahead on anything like fifteen percent after conversations here and across the street.

H.M.Jr: Well, we were talking about twelve. Fifteen is too high. It doesn't make a damn bit - I have learned this after seven and a half years, that if we agree that these fellows - the little fellows should get a little higher rate, we can say we will make it one and six, you see what I mean, and then Congress will always adjust it, anyway, so it is just as to the idea, is the idea right.

Sullivan: The idea is right, sir, I think.

H.M.Jr: In these days I would rather play a little closer than to have somebody else trim me down. I would rather have Congress raise it to fifteen.

Paul: But on the other hand, I hate not to do something on it and then to have Congress do it and get all the credit.

Regraded Unclassified

H.M.Jr: Well, that doesn't bother me anyway. Did you hear the show I put on for Doughton and got his name in the paper?

Paul: I know, but I want the Treasury to get the credit for the small man part.

Foley: Could we have a couple of examples?

Paul: Certainly. They just love to make examples. Do you want an example?

Foley: Yes, I think if we could have an example on a piece of paper, it would be easier, at four and ten and again at six and twelve for the same corporation. Take a little one and then a big one.

Paul: I can do that.

H.M.Jr: I will tell you what I will do. You fellows come in at 10:00 o'clock tomorrow morning. My mind will be as clear as it ever is, whatever that means, and I will put you down at 10:00 o'clock. How is that?

Paul: Fine. In the meantime, we will give Ed an example and bring you one, if you want one.

H.M.Jr: Everything else lovely?

Sullivan: Yes.

Paul: They have got this provision all drawn, as a matter of fact. It is only the matter of the figures.

Sullivan: The progress among the technical fellows is better than the attitude on some of the committee.

H.M.Jr: That is all right. You would expect that.

Sullivan: I mean, Stamm is very definitely trying to delay this thing in the hope that if it is

Regraded Unclassified

delayed long enough, they will never get to it, and I think the other fellows understand that. He isn't agreeing to anything we do and he won't tell us why he disagrees.

Paul: He can't tell you. He doesn't know enough.

Sullivan: Mr. Doughton asked for a meeting at 2:00 o'clock on Monday with Stamm and Jere Cooper.

Foley: Next Monday?

Sullivan: And Senator Harrison and yourself, at which time we are to present a bill if Stamm agrees to our provisions. Otherwise, we are to present what we have agreed upon and the statement of what we disagree upon and the statement of how long we think it will take to come into accord and I propose to have a completed bill with a statement as to what Mr. Stamm has agreed upon and the remainder that he does not agree on. Don't you think that is preferable?

H.M.Jr: Sure. Don't wait for Stamm or anybody else.

Paul: You couldn't make any prophesies as to how long it will take to agree with Stamm.

Sullivan: He is just trying to hold this thing up. I am pretty well convinced he has instructions on it.

H.M.Jr: Well, we have got to keep moving.

Okay, gents. I will be ready for you at 10:00 if you are ready for me.

Regraded Unclassified

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Kaunas

NO.: 154

DATE: July 15, 1940, noon

Reference is made to the Legation's no. 153, dated July 13, 10 p.m.

According to the same source from which I received the information transmitted in the above-mentioned telegram, the dollar payment for the gold transfer is merely in the form of a receipt. The local bank has as yet received no cash.

NOREM

860M.51/170

EA:EB

Regraded Unclassified

ALLISON ENGINEERING COMPANY

Deliveries of Airplane Engines

	Actual deliveries	Estimated deliveries on existing orders
1940		
January	10	
May 1 - 23	10	
May 24 - June 1	5	
June 2 - 8	4	
June 9 - 15	8	
June 16 - 22	11	
June 23 - 30	8	
June 30 - July 6	6	
July 7 - 13	18	
July 14 - 31		132
August		160
September		310
October		351
November		331
December		332
1941		
January		362
February		416
March		416
April		414
May		408
June		437
July		320
August		294
September		431
October		45
November		45
December		45
1942		
January		25
February		21

Office of the Secretary of the Treasury,
Division of Research and Statistics.

July 15, 1940.

Regraded Unclassified

July 15, 1940.

MEMORANDUM FOR THE PRESIDENT:

Annexed are an Executive Order and Regulations which amend the outstanding Executive Order and Regulations relating to Danish, Norwegian, Netherlands, Belgian, Luxembourg and French property so as to apply the same control to Latvian, Estonian and Lithuanian property in this country.

The documents have been cleared with the Attorney General.

/s/ H. Morgenthau, Jr.

Secretary of the Treasury.

Regraded Unclassified

EXECUTIVE ORDER

- - - - - - - -

AMENDMENT OF EXECUTIVE ORDER NO. 8389 OF APRIL 10, 1940, AS AMENDED.

By virtue of the authority vested in me by section 5(b) of the Act of October 6, 1917 (40 Stat. 411), as amended, and by virtue of all other authority vested in me, I, FRANKLIN D. ROOSEVELT, PRESIDENT of the UNITED STATES OF AMERICA, do hereby amend Executive Order No. 8389 of April 10, 1940, as amended, so as to extend all the provisions thereof to, and with respect to, property in which Latvia, Estonia or Lithuania or any national thereof has at any time on or since July 10, 1940, had any interest of any nature whatsoever, direct or indirect; except that, in defining "Latvia", "Estonia", "Lithuania" and "national" thereof the date "July 10, 1940" shall be substituted for the dates appearing in the definitions of countries and nationals thereof.

/s/ Franklin D. Roosevelt

THE WHITE HOUSE,

July 15, 1940.

(No. 8484)

Regraded Unclassified

CODE OF FEDERAL REGULATIONS
Title 31 - Money and Finance: Treasury
Chapter I - Monetary Offices, Department of the Treasury
Part 130

TREASURY DEPARTMENT,
Office of the Secretary,
July 15, 1940.

AMENDMENT TO REGULATIONS*

The Regulations of April 10, 1940, as amended (Sections 130.1 to 130.6), are further amended so as to extend all the provisions thereof to, and with respect to, property in which Latvia, Estonia or Lithuania or any national thereof has at any time on or since July 10, 1940, had any interest of any nature whatsoever, direct or indirect; except that reports on Form TFR-100 with respect to all property situated in the United States on July 10, 1940, in which Latvia, Estonia or Lithuania or any national thereof has at any time on or since July 10, 1940, had any interest of any nature whatsoever, direct or indirect, shall be filed by August 10, 1940.

H. Morgenthau, Jr.
Secretary of the Treasury.

APPROVED: July 15, 1940.
FRANKLIN D. ROOSEVELT

* Sections 130.1 to 130.6: - Sec. 5(b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; Public Resolution No. 69, 76th Congress; 12 U.S.C. 95a; Ex. Order 8560, Jan. 15, 1934; Ex. Order 8389, April 10, 1940; Ex. Order 8405, May 10, 1940; Ex. Order 8446, June 17, 1940; Ex. Order 8414, July 15, 1940.

Regraded Unclassified

SECRET

✓ 586

Washington, D.C.

15 July 1940

For the Honorable Secretary of Treasury,

Lord Beaverbrook says that following data was sent to Morris Wilson June 7th. Hurricane plans complete except leak-proof tanks. Frazier nash turret complete details with controls. Spitfire plans okay except for armor plate and gun controls which will be sent separately.

Lord Beaverbrook has cabled Wilson to supply above to you. Also Lord Beaverbrook says that he will reply to other items within forty-eight hours.

Sample plates leak-proof tanks shipped navy today.

Full details all types magnetic minesweeping have been delivered navy.

Mr. Kennedy

tor coderoom 1230/16

SECRET

Regraded Unclassified

July 15, 1940

Carl Ward gave HM,Jr his carbon copy of the report when he had lunch with the Secretary today so that the latter might make a copy for his file.

Regraded Unclassified

Dated at Bordeaux
June 14, 1940.

TO: Colonel Jules Meny, Sous-Secretaire de l'Air
via General Martinot Lagarde - Inspecteur General
de l'Aeronautique.

In accordance with our understanding with you, this memorandum will serve to present to you a brief summary of the work, the observations, and the recommendations of the group of American representatives sent to France in response to your request directed to Mr. Alfred P. Sloan, Chairman of the Board of the General Motors Company, and who were gathered together in the United States by the General Motors Company for this purpose.

Upon our arrival in France, at Paris, on the morning of May 29th, we received your summary of the general production plan of the Air Ministry for the production of aviation motors and also the understanding that production of aviation motors in France constituted the limiting feature for the production of complete airplanes. It was also made clear that training planes and motors for training were not a serious production problem. It was also explained to us that the Ministry was concerned with improving the quality as well as the quantity of completed aviation engines.

Regraded Unclassified

This was followed by a succession of visits to various manufacturing and allied facilities, as follows:

May 30th - S.N.C.M. Factory, Argenteuil.

May 31st - Conferences at Hotel Meurice (S.N.C.M.)

June 1st - S.N.C.M. Factory, Argenteuil
Talbot Motors, Suresnes.

June 2nd - Chantilly - Air Headquarters.

June 3rd - Hispano-Suiza - Bois-Colombes

June 4th - Ford Air - Poissy
Hispano-Suiza, Laboratory

June 5th - Gnome-Rhone - Gennevilliers.
B.G., Paris.

June 6th - Conference, Hotel Meurice (Talbot)

June 7th - Ford, Asniwres
Turbomeca, Billancourt.

June 8th - To Le Mans - Gnome-Rhone

June 9th - Gnome-Rhone (under construction)
To Bordeaux.

June 10th - Ford Air - Bordeaux
Bloch S.N.C.A.S.C. - Bordeaux, Merignac.

June 11th - Ford Air - Conference.

June 12th - To Tarbes and return
Hispano-Suiza - Tarbes

June 13th - Bordeaux, Repair and overhaul Depot.

Before entering into the enumeration of the recommendations or suggestions of the Commission, it might be well to set down a

Regraded Unclassified

few general observations.

Thus, in general, it may be said that the volumne of aircraft engine motor production, as well as the facilities for production and the methods used, both for technical processes and for plant management, were on the whole better than the Commission had been led to expect through information which had reached it in America. It could be generally said that each of the various works visited showed unusual ingenuity with respect to certain phases of its operations. It is likewise true, as will be pointed out later, that in nearly all cases, specific improvements could be made which would tend to increase the general production and improve quality in accordance with the desires of the Air Ministry.

Secondly, it should be pointed out that conditions changed very greatly from those in existence at the time of the Commission's arrival, due to military operations which, in turn, necessitated movement of many of the manufacturing units, as well as cutting off a large number of suppliers. Thus, the character of the problem changed daily. Naturally, this affected the ability of this Commission to follow through your original request as it was primarily outlined. Consequently, while the present unstabilized military situation persists, with the resulting necessity for evacuation of plants from day to day, it is the considered opinion of the Committee that pro-

Regraded Unclassified

duction cannot be stabilized.

Thirdly, in view of your statements that the American aviation equipment now being used in your military operations is superior in nearly all cases to the remainder of the available equipment, it is obvious that the greatest assistance can come through speeding up production of American aviation equipment in the United States and perhaps supplementing this production by furnishing necessary raw materials or partly fabricated materials to take the place of supplies which are now cut off from your plants due to the advance in military operations.

As the Committee has already intimated to you, it is the private opinion of this Commission that any equipment made in America and furnished as complete equipment should, in accordance with the above, be made to American designs. It does not seem necessary herein to give all of the reasons for this Commission's opinion with regard to the above, since the discussions were covered in detail with you in Asnieres, and again informally during a discussion held at the Hispano works in Tarbes, on June 12th.

It seems unnecessary at this moment to repeat the recommendations given to you with respect to the Government's S.N.C.M. works at Argenteuil and the Government's Pratt-Whitney 1830 engine license at the Talbot Motors in Suresnes. These

Regraded Unclassified

have already been submitted to you in detail as well as to the management of the S.N.C.M. and, through you, to the Talbot organization as well.

It is interesting to point out, however, that the Commission's recommendation with respect to moving the new American machine tool equipment from the Paris area has now been borne out by the military situation existing at present. It is also felt that the Committee's recommendation that the Talbot equipment be kept intact for the furnishing of spare parts and later on for the manufacturing of motors of Pratt-Whitney design will be more desirable than ever before in view of the fact that the French engine industry will now have to rely to a greater extent on American sources of raw materials. It is further supported by the fact that the Pratt-Whitney engine has been evaluated by those of your military authorities who were contacted as the most satisfactory and useful of its various engine equipment now in use at the front.

The most important specific recommendations follow:

Technical Design and Engine Considerations:-

1) Wherever required engineering design tolerances should be readjusted to provide interchangeability. Hand fitting (adjusting) is now required in order to assemble the finished product. (Note: By studying the conditions in the Bordeaux Overhauling Shop with respect to new parts furnished by Pratt and

Regraded Unclassified

Whitney for motors, it will be clear what is meant by the above).

2) Process grinding should be substituted for hand operations wherever possible in manufacturing highly stressed parts. Such parts can then be readily polished without the necessity of removing much metal.

3) Highly stressed parts should be highly finished, and all tool marks eliminated. (Note: In many of the plants visited it was observed that highly stressed parts were highly finished, but this was not a universal practice in all factories).

4) Eliminate unnecessary operations contributing to appearance only. Thus, to conserve man hours much painting, matching of surfaces on parting lines, particularly on castings and the hand polishing of relatively unstressed parts can be dispensed with, subject to engineering approval.

5) Avoid putting engineering changes into effect in such a manner as to delay production. Carefully schedule them for this purpose.

6) As was suggested in connection with the operation drawings submitted at the S.N.C.M. factory, it would be well to study the elimination of such drawings and the substitution of operation sheets wherever possible, thus conserving engineering facilities under the present conditions.

Regraded Unclassified

7) In a great many factories more attention to keeping parts clean during assembly operations is urgently needed. Thus, it was noticed that ball bearings were frequently seen lying on benches without being properly covered. Floors should be cleaned and dust reduced to a minimum. Between shifts, partly assembled mechanisms should be carefully covered.

8) Parts should be carried in wood containers or containers lined with soft material and should not be set down on steel shelves or plates, or they will be scratched.

9) Engineering designs should be reviewed to see where manufacturing can be simplified by minor engineering design changes.

Manufacturing.-

1) Where automatic machines have been provided, a study should be made to see how many machines can be operated by one operator at the same time. It was observed in one factory that one man operated a single automatic machine which was timed to operate on a twenty-minute cycle. Adjacent to the machine was another automatic machine with a separate operator approximately on the same cycle. A single operator could have readily operated both machines. Similar conditions were noted in many places.

2) Spare sets of cutting tools should be provided for each important operation. This will eliminate the down time observed

Regraded Unclassified

where machines are idle waiting for tools to be re-sharpened.

5) In certain factories highly flexible machines were used for relatively simple operations. Equipment in such cases should be studied with a view to reallocation and the use of single purpose machinery on such operations, thereby releasing the more flexible machine for more complicated operations.

Thus a brand new Hendey tool room lathe was seen operating on a relatively simple operation which could have been done by a manufacturing lathe, releasing the tool room machine for badly needed tool room equipment.

4) In one factory there was observed a wide difference between the time study or standard time for an operation and the actual time. Factories lacking specialists for speeding up such laggard operations should institute an activity of this character.

5) In certain factories, machines were not placed to avoid unnecessary material handling. In other factories this feature was admirably taken care of. In some of the newer units this feature seemed to be well studied.

6) It is suggested that plenty of coolant - i.e., cutting oils - should be flooded on the work in order to prevent burning up the tools and increasing machine down time caused thereby.

7) Tools should be ground on a periodical basis and not allowed to run until they produce bad work. When the latter is done, the tool life is much shorter and the loss of time on the

Regraded Unclassified

machine is greater.

8) In many shops attention has been given to work containers. However, those were not universal in all factories, and should be adopted.

9) Lighting should be carefully checked. Some factories were poorly lighted for night work, thereby running the risk of poor work and lost time.

Management:-

1) It is recommended that, if there does not at this time exist a strong planning unit in the Ministry with coordinated planning agencies in the various production units, such a function be set up without delay. The detail planning functions within the manufacturing organizations should be left largely to the local managements, in order to adapt them to local conditions. However, the system as a whole should be carefully coordinated.

2) Professional workers, engineers and supervisors, where urgently needed for vital machine production should not be subject to draft in the army, without careful consideration of all the circumstances. Evidence existed in certain plants that organizations were being crippled as to supervisors, executives, tool makers, engineers and the like.

3) Liberalised contractual relations with private organisations by the Government, in order to meet the unusual production conditions now existing are needed. Everything should be done by the Ministry to prevent loss of production through inability

Regraded Unclassified

of local managements to make decisions to adapt themselves to the quickly changing conditions.

4) The above is particularly true due to the disorganization of the telegraph and telephone systems under present conditions. If conditions cannot be improved, then greater initiative should be permitted for individual organizations to make emergency decisions.

5) As has been pointed out above, many efficient processes and operating methods have been viewed in certain plants, and are not general in others. Greater freedom of interchange of information should be provided for if possible. A good example, is the tinning of cylinder sleeves to be nitrided. In one plant this was done by hot tinning, hand wiped, and in another plant by an efficient hot metal spray gun.

6) In view of moving large bodies of workmen, organizations should be set up in each manufacturing plant to efficiently cooperate with local authorities in the matter of housing employees who are suddenly transferred. No doubt this has already received much consideration as is evidenced by the City in the Pines at Le Mans.

7) Many difficulties have been experienced in servicing and installing American manufacturing equipment due to not receiving specific information from the Air Ministry representatives. It has been suggested that the various American

Regraded Unclassified

service, installation and engineering representatives should be put in touch with each other, with the idea of freely interchanging information for the use of all American companies, in order to promote a more efficient servicing of the French operated American aviation equipment. It is also suggested that the Air Ministry institute a coordinating bureau for the purpose of contacting the various American representatives so that the work may be done in the English language, owing to the unfamiliarity of many of the American representatives with the French language.

A headquarters location should be established for all these units, instead of each American company establishing its own location independently of each other and of that of the Ministry representative.

General

As has been stated in various places in the above, many capable and efficient arrangements have been inspected and especially notable is that of the use of women workers and young men on precision operations. At one plant women were found in supervisory positions as job setters, and vestibule schools were also in evidence for the training of unskilled workers in preparation to machine operation. Thus, the Commission feels that if quick decisions can be furnished or

Regraded Unclassified

made by local managements and also if there is the free interchange of information together with the quick procurement outside of France of needed raw materials plus the purchase complete of American units to supplement French production, that much can be accomplished. The Commission concludes with the thought that it can be of more service by returning to America without further delay than by any further advice it can give or action it can take here, where the situation is so involved.

The Commission is particularly indebted to the executives of the various plants it has visited for their unfailing courtesy and their freedom in answering questions of every nature. It is equally indebted to the Air Ministry representatives who have made all of the necessary arrangements and, lastly, for the unfailing care taken of the members and the many courtesies extended to them by the Ministry's representative, General Martinot Lagarde.

In view of the inability of the Commission to make contact with you since leaving Paris, a copy of this report is being delivered to General Lagarde in person, in turn for delivery to you and on your behalf.

W. J. Davidson
B. D. Kunkle
Arthur Nutt
J. Carlton Ward, Jr. Chairman

Regraded Unclassified

ADDRESS OFFICIAL COMMUNICATIONS TO
THE SECRETARY OF STATE
WASHINGTON, D. C.

600

DEPARTMENT OF STATE
WASHINGTON

July 15, 1940.

The Secretary of State presents his compliments to the Honorable the Secretary of the Treasury, and encloses one copy of paraphrase of telegram No. 2136 of July 12 from the American Embassy, London.

TREASURY DEPARTMENT
RECEIVED
JUL 15 11 04 AM '40
TO THE SECRETARY OF THE
TREASURY'S CONFIDENTIAL
INFORMATION STAFF

Regraded Unclassified

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Embassy, London, England

DATE: July 12, 1940, 10 p.m.

NO.: 2136

The following is confidential for the Secretary of the Treasury:

Last night I had a talk with Montagu Norman, Governor of the Bank of England.

The Governor said he saw your position on the matter of importing gold in American ships. However, as to the cancellation of credits, he said Phillips knows nothing about the question. Very confidentially, for your information, He added that he did not expect to live long enough to be able to explain it to him.

This indicates that between the Bank of England and the Treasury good will is running high.

KENNEDY.

EA:LWW

Regraded Unclassified

ADDRESS OFFICIAL COMMUNICATIONS TO
THE SECRETARY OF STATE
WASHINGTON, D. C.

602

DEPARTMENT OF STATE
WASHINGTON

In reply refer to
EA 841.51/1591

July 15, 1940.

The Secretary of State presents his compliments to the Honorable the Secretary of the Treasury and encloses a copy of a paraphrase of telegram no. 1700, dated July 10, 1940, to the American Embassy at London, regarding gold shipments.

Enclosure:

To London, no. 1700,
July 10, 1940.

Regraded Unclassified

PARAPHRASE OF TELEGRAM SENT

TO: American Embassy, London

NO.: 1700

DATE: July 10, 1940, 6 p.m.

FOR AMBASSADOR KENNEDY

Your nos. 1914 of July 1, 7 p.m., and 2028 of July 6, 3 p.m., and Department's no. 1645 of July 6, 4 p.m. The following comment has been sent to the Department by the Treasury Department:

QUOTE. The Government of the United States does not feel that in view of the volume and the regularity with which shipments of gold from England to this continent are now taking place on other vessels it would be warranted in trying to make arrangements for the acquisition of gold abroad and importing it here on United States warships. The Vincennes case in which this was done was a very exceptional one.

American banks have not consulted the Treasury Department regarding the canceling of credits to the London market. Pending the arrival of Sir Frederick Phillips, the Treasury is hesitant about making any inquiry in this regard. END QUOTE.

Subject to further advice and recommendation from you, the Department is in agreement with the above. Please keep closely in touch with the matter and report to the Department.

EA:HF:EB
EA:EB

Regraded Unclassified

No.223 Lima, July 15, 1940.

Subject: British policy concerning the Freezing of Funds of Certain European Countries.

CONFIDENTIAL

The Honorable

The Secretary of State,

Washington, D. C.

Sir:

I have the honor to report that during a recent conversation, the British Minister in Lima informed me that he has had instructions from his Government to attempt to secure, on the part of the Peruvian Government, a policy of freezing funds - similar to the policy of the United States - of European countries now occupied by German forces. Mr. Forbes observed that he doubted if the amounts involved in Peru would justify making an issue of the matter.

Respectfully yours,

R. Henry Norweb

RHN/ald

File: 851.51

Regraded Unclassified

July 15, 1940
4:40 p.m.

H.M.Jr: Hello.

Operator: Mr. Knudsen. Go ahead.

Wm. S. Knudsen: Hello.

H.M.Jr: Hello, Knudsen.

K: Yes.

H.M.Jr: Morgenthau.

K: Yes, sir.

H.M.Jr: How are you?

K: Pretty good, sir. How are you?

H.M.Jr: Good for you. Knudsen, it's only a little matter but just so that we keep our wires straight. This morning we had a request to let Olley use the Treasury telephone to England. You see? To talk to Rolls Royce, and this fellow Olley -- he's always getting into my hair by trying to go through some back door.

K: Well, I've got a letter from him in which he quits.

H.M.Jr: Who?

K: Olley.

H.M.Jr: He quit.

K: Yeah.

H.M.Jr: How do you mean he quit?

K: He claims that he's going to confine himself entirely to the purchase of other equipment for the Rolls Royce Company in this country.

Regraded Unclassified

H.M.Jr: Well, this has been going on all day. McReynolds over there finally called up and tried to get my operator to put the call through and I told him, no, we can't do that. He can go up to the British Embassy.

K: Yeah.

H.M.Jr: I mean, they can't use the Treasury, a British agent, my -- I mean this Treasury as though we were a switchboard, you know.

K: (Laughs). I see.

H.M.Jr: What?

K: All right.

H.M.Jr: I mean, you wouldn't do it, I mean, if they called up -- could they call through General Motors.

K: No.

H.M.Jr: You wouldn't let them do it.

K: That's right.

H.M.Jr: What?

K: That's right.

H.M.Jr: And I wanted to explain it because somebody will most likely come and tell you that I turned them down. I did.

K: Well, if they do, I'll come right back to you .....

H.M.Jr: I mean, any time you want anything you can have it, but I don't know this fellow Olley .....

K: I'm not in on this at all. I haven't heard a thing about it.

Regraded Unclassified

H.M.Jr: Well, a man by the name of Dr. Taylor called up and then McReynolds called up and they're always -- this Olley crowd, they just make, as far as I'm concerned, a God-damned nuisance of themselves.

K: Well, you see, Purvis told me that he was -- he had nothing to do with them.

H.M.Jr: I know. But I wanted you to get it right from out of my own lips.

K: (Laughs). All right, sir.

H.M.Jr: And I can't let Olley, who I don't know, use my Treasury telephone to England to get by the censor -- that's what it amounts to.

K: All right, sir.

H.M.Jr: O. K?

K: Fine.

H.M.Jr: Thank you.

Regraded Unclassified