

● PSF

State Dept.

June - Dec. 1938

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(State Dept, 1938) State Dept  
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June 3, 1938.

Dear Tony:-

I am delighted to know that you are safely installed in Caracas, and I wish I could at least come to La Guyra this summer but I fear I must postpone it until next winter's cruise.

By the way, I wish you would get me information about that area of Venezuela which lies on high land north and south of the Orinoco River. I am told that a large part of this plateau land, lying at an elevation of from three to seven thousand feet, is not only little explored but is, as far as known, of great richness and capable of successful colonization by the white races. It has always seemed to me that if this unused land is as extensive as it is said to be, the Republic of Venezuela might well study the whole subject of immigration with the idea of developing a virile, democracy-loving white population over a period of four or five generations. This means, of course, selective immigration and, at the same time, it could doubtless be carried out without putting the government of Venezuela into debt, by requiring immigrants to pay enough for the privilege of settling on this land, not only to make them self-sustaining but to build up gradually the necessary communication systems.

In the long run a selective process among different nationalities would result, over a period of a number of generations, in a mixed race just as such a large proportion of our own population is.

In other words, Venezuela may have one of the few remaining large areas which can be colonized on the selective type process. It would, of course, be necessary to eliminate the congregation of any large group of any one nationality in any one place. Venezuela does not want a German colony in one place or an Italian colony in another place or a Spanish colony in a third place or a Jewish colony in a fourth place. The incoming people should be thoroughly mixed up with each other as fast as they arrive.

Doubtless there are some men in the Venezuelan government who would talk with you somewhat in confidence about this subject. You should, of course, leave me out of it altogether. It is my thought that in the crowded state of affairs in some nations in Europe and in certain areas of the United States, existing situations could be relieved by a small but fairly constant stream of emigrants to the unoccupied parts of the world. As a result of the Spanish Revolution, for example, several thousand of the best type of Spaniards would probably be glad to leave home -- and the same thing may apply to parts of Germany, Poland, Czechoslovakia and Austria.

In any event, you might think this over and put out some feelers.

Ever so many thanks for that perfectly wonderful Panama hat. It will be most useful this summer.

As ever yours,

Honorable Antonio C. Gonzales,  
American Legation,  
Caracas,  
Venezuela.

Caracas, Venezuela.  
May 20th, 1936.

The Honorable  
Franklin D. Roosevelt,  
The White House,  
Washington, D.C.

My dear Mr. President:

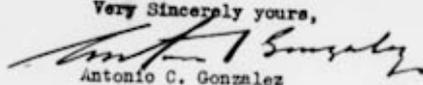
I wish to advise you of my arrival at Caracas, which I have found to be all as you described, a beautiful place with charming people.

Mrs. Gonzalez and I extend to you and Mrs. Roosevelt a most cordial invitation to visit us, and hope you will honor us by so doing.

I was very sorry not to have been able to see you while in Washington before leaving for this post, but realized how busy you were when Col. McIntyre was unable to give me an appointment. However, I hope you received the Panama hat which I left with Col. McIntyre for you, and although it was not as fine a hat as I would ~~have~~ liked, nevertheless, hope you can use it as a second.

I hope to soon send you some Venezuelan stamps for your collection. Hoping that this may find you and Mrs. Roosevelt in good health, and with sincere and kindest regards to you and Mrs. Roosevelt in which Mrs. Gonzalez joins me, I am,

Very Sincerely yours,

  
Antonio C. Gonzalez



*217. State*  
*PF 4/4*

THE SECRETARY OF STATE  
WASHINGTON

June 28, 1938.

Dear Mr. President:

At the suggestion of Minister Cudahy, I am enclosing his letter of June thirteenth, in which he comments on the European political situation.

Sincerely yours,

A handwritten signature in cursive script, reading "Cordell Hull". The signature is written in dark ink and is positioned below the typed name.

Enclosure:

Letter from Minister  
Cudahy.

The President,  
The White House.

RSP State Dept

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6/29/38

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Dublin,  
June 13, 1938.

Personal and  
~~Confidential~~

Dear Mr. Secretary:

I was grateful for your telegram granting me permission to visit Prague. Wilbur Carr raised no objection; on the contrary, he gave the impression over the telephone of welcoming my visit. I slipped in and out of Prague without comment or commotion, as I knew I could, and believe it is a good thing for someone on the outside to visit posts with the detachment of an outsider provided he can escape publicity in so doing.

The immediate crisis passed in Czechoslovakia with the fighting, determined attitude of the Czechs, who massed a large concentration of troops on the Sudeten-German frontier when France stood firm by its commitment to the Czechs and Great Britain stiffened its attitude and gave the impression that it would stand by

France

The Honorable  
The Secretary of State,  
Washington.

France if the German armies crossed the Czechoslovakian frontier. But the situation at this writing is still very tense, with potentialities of explosion at any time. It is expected that a minority statute will be introduced in the Czechoslovakian Parliament on June 15 or thereabouts. This will make every possible concession to the minorities--Sudeten, Hungarian, Slovakian and Polish--but on certain features of the Sudeten demands there will be no yielding. The Czechs will not concede any territorial sovereignty nor control of foreign policy by any group of minorities. The issue, therefore, would seem to be presented after this minority statute is adopted by the Czechoslovakian Parliament, and the crucial question would appear to be whether the statute will be acceptable to Hitler. It is known that he has demanded that the Czechs abandon their alliance with Russia. This they will not do. One view is that it will be only a matter of a short time until Germany takes coercive measures to enforce its arbitrary demands. Another view is that of John Montgomery in Budapest, reflecting the attitude of the Hungarian Foreign Office. This is that the crisis in Czechoslovakia has passed for this summer, that Germany has no intention of waging war for at least another year, that it is absolutely necessary to harvest the crops in Germany before the armies could think of marching and that, therefore, any aggressive military measures

measures must be deferred until next year. The German armies are not yet ready and will not be ready for some time. It is the intention of Berlin not to bring military pressure to bear upon Czechoslovakia, but to reduce it to the status of a subservient state by coercive economic measures.

Take either view that you will, the fact emerges that all sense of equilibrium, unstable as it was before the Anschluss, has now been irretrievably lost and whether the proximate cause of an outbreak be in Spain, Poland, the Baltic States, Rumania or Czechoslovakia, the situation is charged with dynamite. Everyone seems to agree that Czechoslovakia has a brief tenure of life. The Sudeten demands have precipitated demands of other minorities and Czechoslovakia is subjected to a four-sided minority attack, for in addition to the Sudetens, Poland is insistent that the Polish minority in Teschen be given autonomous recognition. The Hungarians are demanding the same rights for the Magyar minority, and only a few days before I went to Prague there was a big demonstration on the part of the Slovakian group which had always been considered united with the Czechs. It is difficult to see how any State, with such elements of unrest and with the threat of German pressure can continue to exist without a drastic revision of its political constitution.

The important thing from our viewpoint is not to be caught unaware if a war breaks out in central Europe this summer. It is entirely probable for the reasons herein given that this may not occur, during the present summer, but the situation is critical and I would not like the American people to get the impression that our Government has been taken completely by surprise if hostilities develop this summer.

I would like to have stopped off for a talk with John Wiley, to have learned from him the situation in Vienna concerning the jews, but I did not have time to ask <sup>and receive</sup> permission. Later in the summer perhaps I shall cable you for permission to visit Vienna and Rome.

I think probably the President would be interested in some of the comments I have made in this letter. Let me again express my appreciation of your confidence in permitting me to make this very interesting and, I believe, instructive trip in central Europe.

Respectfully yours,

*John Cuddeback*

PSF: State

State Dept. folder  
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Hyde Park, N. Y.,  
June 29, 1938.

Dear Frank:-

Many thanks for yours of June thirteenth. We are all of us, of course, interested in the way the cat is jumping, or may jump, in Rumania. These weeks are certainly very trying ones in the international field. If all goes well I hope to leave in about ten days for the West Coast.

With my sincere regards,

As ever yours,

Honorable Franklin Mott Gunther,  
American Legation,  
Bucharest,  
Rumania.

PSF: State

No. 8

Bucharest, June 13, 1938.

Dear Mr. President:

There has been here lately a Mr. Buell, President of the Foreign Policy Association, which I believe has a membership of some 15,000 in the United States and is the organization upon which, together with Drew Pearson, a number of congressmen depend for their notions of foreign affairs. Tony Biddle tipped me off that while in Warsaw Buell gave a pompous interview in which he said that you were "leading the American people up a blind alley." He also warned me that Buell was coming here so I arranged that he would not be invited to give interviews, and in the course of conversation with him I let him know that I knew what he had done in Poland. Otherwise, I did everything I could for him and he had a perfectly satisfactory time here. At my instance he saw the Minister for Foreign Affairs and he arranged himself to see some of the leaders of political parties and can now pose at home as an authority on Rumanian affairs.

The public statements from home of late on our world position, especially the Secretary's and Sumner's,

seem

The President

The White House.

seem to me to have struck just the right psychological note. Hitler is a neurotic, saw with his own eyes the horrors of the last war which he has not forgotten, and the last thing in the world he wants, I think, is another war. He is a student of history and knows full well that had the last war not taken place Germany would have dominated Europe economically within a few years. However, he is a champion opportunist and bluffer. The best way to stalemate him is to play him at his own game for we know how to bluff too and, above all, to maintain a united front. A wished-for opportunity presented itself to him by the concurrent recent murderous mess in Russia, France in its 105th Government of "isms", and the defection of Eden from the British Government. It was too good to be missed and he took advantage of it.

Quite a little interest has been shown here in what the Mexican Government is achieving in the way of nationalization of its petroleum resources. However, I am glad to say the trend is in another direction as far as Rumania is concerned. They want British capital here and know that there is not much hope of the British taking any interest financially in this country unless satisfactory guarantees are offered for the protection of foreign capital. There is a wealth of minerals yet to be exploited in Rumania, including even bauxite and molybdenum. A small Rumanian company was recently formed to develop the latter.

Re the Mexican imbroglio, it is a source of amazement to me that clever as the British are, no one ever seemed

to

to think of incorporating Mexican Eagle in Canada, where there is already a large Canadian interest in that company. Canada has a gunboat or two, I believe, and if not could have been loaned some, and just what would we have said had our good neighbor in her wrath sent a couple of gunboats down to Mexico? The spectacle of Mexico thumbing its nose at Great Britain behind our ample skirts has given people many a good laugh in this part of the world. However, I am all for your good neighbor policy and was opposed at the time to the note writing of 1924-25. Never get into a written legal argument with the Mexicans!

I am so glad to learn in your letter to me of May 12th last, that things are a little, though nevertheless definitely, better in the United States. Due to you, I believe with Henry Ford that we are on the road towards a measure of prosperity in the United States such as has never been experienced before, coupled with opportunity and better safeguards for the protection of capital. However, for the present at least, I am skeptical of more than a less than seasonal recovery next Fall. We must look forward, I fear, to the Spring of 1939. I wonder if you ever saw my letter to you, No. 2 of November 16, 1937, and the enclosure from Raffalovich. It was pretty long but sound in retrospect. The query now is whether we are already in another world depression. At last one is in the making. I still think it is unnecessary and believe that if you chose it is well within your power to bring about a recovery in our country of  
major

major magnitude. That would turn the tide.

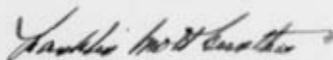
King Carol is doing so well since he gave up reigning for governing that one hears nothing more about his marriage plans. Perhaps he is too busy and also perhaps he no longer feels that a royal wedding is immediately necessary for his prestige. It is on the increase throughout the country. From personal observation and from what I hear, I would say that the farming and industrial elements are well pleased with what is actually being done for them and in prospect and glad of surcease from the unfulfilled promises of politicians. Loyalty to the Sovereign is endemic in this people anyway.

Thank you, I am indeed enjoying this Post which has proved to be even more interesting than I expected.

I hope that your recent holiday, albeit brief, did you good. The strain and stress of your great office is a terrific one and we hope and pray for strength for you to fulfill it.

With highest regard, I am, dear Mr. President,

Yours most respectfully,



American Minister.

PBF  
State Dept  
Dramatic

Hyde Park, N. Y.,  
August 23, 1938.

Dear Tony:-

That is a very interesting report on the wide open spaces in Venezuela and I shall be happy if you will, without bringing me into it, try to get a line on additional colonization from the Venezuelan Cabinet.

I had a wonderful trip to the Galapagos Islands and spent most of a day with President Arosemena.

Every so many thanks for those delightful airmail stamps. They are a great addition to the collection.

My best wishes to you,

As ever yours,

Honorable Antonio C. Gonzales,  
American Legation,  
Caracas,  
Venezuela.

~~Confidential~~

Caracas, August 13, 1938.

My dear Mr. President:

I refer to your very kind and interesting letter of July 3 and have waited to reply until your return to Washington after your trip to the West.

With relation to the colonization of lands along the Orinoco river, after an examination of the question I find the following to exist:

There is a vast, practically uninhabited, region lying approximately 300 to 400 kilometers south of Ciudad Bolivar, in the State of Bolivar, located east of the Territorio Federal Amazonas, extending almost over to British Guiana and from 50 to 200 kilometers north of the Brazilian frontier, that is reported by a number of explorers who are believed to be fully reliable to have an altitude of from 800 to 1600 meters, in which there are a great number of rich, fertile, grassy plains suitable for both agriculture and stock raising. This region lies on both sides of the upper waters of the river Caroni and the headwaters of the river Paragua. The region is crossed by numerous small rivers of clear water and the region is generally well watered with abundant possibilities for developing hydroelectric power.

There

The Honorable  
Franklin D. Roosevelt,  
The White House,  
Washington.

There is a small settlement south of the upper waters of the river Caroni, probably about 80 or 90 kilometers from the Brazilian border, called Santa Elena, where a Venezuelan lives married to an Indian woman. He has developed a herd of about 800 cattle and has gone in for agriculture in a small way with excellent results.

The altitude of this highland plain makes it healthy and free from malaria. It is reported by explorers that this region undoubtedly has the most favorable conditions for farming and stock raising of any part of Venezuela, and that climatic conditions compare favorably with those of Caracas.

The main drawback to the development of this region is that there are no roads of any kind into the region and that outside of making the trip to Santa Elena by aeroplane, the only way of getting into the region is by going up the rivers in small boats where many portages are necessary because of rapids and waterfalls, which requires several weeks.

This region is reported as being ideal for colonization by Europeans in every respect except that at present it is practically inaccessible because of lack of roads or other means of transportation.

With the recent change of Cabinet, I have been handicapped in inquiring as to the attitude of Venezuela with relation to the subject involved but expect that in the near future, when the new Cabinet officers have been better installed, I will be able to discuss the entire question confidentially with some, with whom I am personally acquainted.

A short time ago a group of thirty-four Danish families, numbering one hundred and eighty-six persons, arrived in Venezuela to enter the agricultural field, and others are expected, including twenty-five Basque families, now refugees in France. They

are

are located about one and a half hours distance by automobile from Valencia at an altitude of 2100 feet in a very wide, fertile valley, surrounded by mountains from which water is supplied through pipes to each of the houses and buildings so occupied and malaria is non-existent. Up to the present time one hundred and fifty houses for the colonists have been built of concrete blocks, plastered and painted white, of one-story construction. The wooden beams and wooden faces for the buildings were imported from Alabama and each house is completely furnished, with electricity installed and partially screened. Each house occupies a lot from one-third to one acre in size and they were constructed for about sixty-five hundred bolivares due to the mass production. The colony forms a small town or village and each colonist is given a minimum of six hectares of agricultural land in the valley. The Government further intends to buy about one hundred dairy cows and some good bulls from the United States and to install the necessary equipment for the making of butter and cheese. Supervising the dairy end of the project is a Danish family who lived for about ten years managing a dairy farm in Hudson County, New York. All of this seems to be indicative of a friendly disposition on the part of the Government of Venezuela in the matter of colonization and I expect to confirm this fact soon through the members of the new Cabinet without any indication in any way as to your interest.

I hope that you have enjoyed your recent trip and obtained some rest. Enclosed please find a set of current Venezuelan air mail stamps which may be of interest to you, as well as the new twenty-five centimo stamp issued on the inauguration of Labor Day.

With very kindest and personal regards to you and Mrs. Roosevelt from both of us, I am

Always sincerely,



Published in  
Foreign Relations of the U.S.

1938, Vol. I, General

pp. 625-626

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private*

DEPARTMENT OF STATE

THE SECRETARY

September 20, 1938.

MEMORANDUM FOR THE PRESIDENT

The attached memorandum of conversation between Mr. Moffat and the Ambassador of France is self-explanatory. The French Ambassador is coming back on Thursday to see what is your real attitude toward accepting an invitation to an international conference, and just what sort of conference.

*Hue*

DEPARTMENT OF STATE  
*Memorandum of Conversation*

DATE: September 20, 1938.

SUBJECT: European Situation

PARTICIPANTS: Count de Saint-Quentin, Ambassador of France  
Mr. Pierrepont Moffat, Chief, Division of European Affairs

COPIES TO:

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The French Ambassador called this morning. He said that the decision France had made had been a very painful one, but was due to the fact that France was not prepared to fight. Her inferiority in the air made this out of the question, and he only wished that the Government might be able to explain this to the people as the underlying reason, but doubted whether, as a practical measure, it could do so.

The Ambassador said he had been quite shocked at the tenor of some of the editorial comment in this country during the last forty-eight hours. He had little complaint to make of the New York Times or the Washington Post,

Post, but there were many editorials that were wounding him as well as a large number of letters, more or less insulting, that were being addressed to his Embassy and to the various French Consulates. He had reported briefly on these attacks to his Government in Paris, but urged them, under no account, to enter into polemics.

The Ambassador went on to say that while he had a high regard for Mr. Blum, he felt that his recent appeal to the President had been ill-advised.

As a matter of fact Mr. Jouhaux had seen the President a day or two ago. The President had referred to this message of Mr. Blum's, but pointed out that he did not feel the situation warranted any initiative from him. Such an initiative, if not accepted, might make the situation even worse than it was. Mr. Jouhaux then asked the President if he could not summon a conference. The President had replied that the same considerations would militate against this, but that if England and France should summon a conference and invite the United States, he was prepared to accept. Mr. Jouhaux had then asked whether he might make use of this information. The President replied that it should not be given publicity, but that he might discuss it with his friends.

Mr. Jouhaux had naturally reported this to the

French

French Ambassador, but upon being interrogated frankly admitted that he did not know what the President had in mind, whether it was a political conference, a disarmament conference, a conference for the humanization of war, et cetera. He did not know whether the President was thinking in terms of an immediate conference or at a later date, though the Ambassador added that if it were put off too long Germany would have had what she wanted. As Mr. Jouhaux was undoubtedly going to influence both the French and British in the direction of initiating such a conference, the Ambassador thought that it was very important to get the President's ideas a little more clearly before his Government, and to that effect asked me to present this matter to the Secretary of State in order that the latter might be able to give him more specific information when he came to call <sup>on the Secretary</sup>, probably on Thursday.

PM

Pierrepont Moffat

PSF  
State  
1938

Wilson  
Kennedy  
Bullitt  
Carr

Sept  
27  
1938

Personal

I want you to know that in  
three difficult days I am  
proud of you.

Franklin Roosevelt

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Published in  
Foreign Relations of the U.S.

1938

VOL. I PAGES 904-907  
*General*



*99  
Private  
Confidential*

THE SECRETARY OF STATE  
WASHINGTON

*State Dept  
Germany folder - 1938*

October 1, 1938.

MEMORANDUM FOR THE PRESIDENT.

The attached confidential memorandum, handed to me by Mr. Messersmith on September 29th, while prepared previous to the Munich meeting, contains some comment and views in which you might be interested.

*H. H. H.*

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DEPARTMENT OF STATE

ASSISTANT SECRETARY

A-M

September 29, 1938.

~~CONFIDENTIAL~~

Dear Mr. Secretary:

Needless to say I shared yesterday the general relief which was felt by, I am sure, all of us when the news came over the ticker that an immediate outbreak of hostilities was to be avoided by the four-power meeting at Munich today. I believe, however, that thoughtful, well-informed persons must have this optimism and relief seriously tempered by fears that the greatest mistakes made in handling the European and German problem may be made now. If, in the desire to avoid the war with which Hitler is threatening Europe and the world, too far-reaching concessions are made, we will find that instead of arranging for peace a war has been made inevitable.

The fear of war has grown into a hysteria and there is grave danger that in the face of the tension and psychology prevailing in Europe today and elsewhere preliminary arrangements and promises may be made at Munich in the next few days which, if carried through, will either make Germany the master of Europe and of a good part of the world eventually -- with all that that involves for others and ourselves, or a war will be made inevitable. If arrangements are made at Munich now

or

or in a general conference elsewhere later which are a cynical sellout of principle -- just to avoid a war, and if Hitler will get promises of economic help, which he is certain to ask for, it will mean that the present Government in Germany will be solidified in power, given permanence and means to exist and fattened, and then through the avoidance of war now we should only have put Germany in a position to carry through successfully the war which she intends to fight and which she is not in a position to wage successfully now.

It is I believe clear that it cannot be hoped that this four-power meeting at Munich will do more than to arrive at some preliminary arrangements which will ward off immediate hostilities. No four-powers can sit down and settle in a few days the general problems which are disturbing the world. Further discussions and a more general conference would have to be called to settle these problems and it will be a long drawn out process at the best. If promises are made of economic adjustments now of a far-reaching character, which promises cannot be met later, the maintenance of peace may not have been advanced but further prejudiced. In spite of some of the reports which we get, I am convinced that the weight of evidence is that the economic position of Germany and Italy and Japan is much weaker. I am convinced, out of my direct experience and observation, that there can be no peace in the world and no real progress towards the re-  
establishment

establishment of law and order as long as there is not a return to law and order and an observance of international practice in the present totalitarian states. These states are weak and can not much longer continue in their present practices unless they are given real aid of an economic nature. This is what they are after. While the economic readjustments must be made just as much as the political, they cannot be made at this time if it is done in a way which will merely strengthen these totalitarian states and put them in a position to dominate the rest of the world. This is their unquestioned aim. If there had been any doubts as to the issues at stake, the last few weeks should have dispelled them to any person who can think realistically.

If the powers meeting at Munich, or which will meet later at some other place, will be only dominated by this fear of war and the desire to avert it at any price, then arrangements will be made, whether we sit in or not, which will have the most far-reaching consequences for us not only in our political relations with other states but in our economic relationships and the repercussions on our internal situation, political and economic, will be far-reaching. Our trade agreements program will go by the board -- we shall have to take the crumbs which are left to us. Our relationships with practically every state outside of this hemisphere will become more difficult. Our problems in a good part of this hemisphere, which are already difficult, will become acute.

We shall ourselves eventually be faced by war which will become just as imminent a threat as that which has faced Europe in the last days.

I do not wish to assume and am not assuming a defeatist attitude. I have continuously from the beginning of the totalitarian regimes endeavored to maintain a constructive but at the same time a realistic attitude. To face the real situation is not taking a defeatist attitude but a realistic one. The Germany with which certain arrangements could have been made under Stresemann and Brüning is a different Germany from the one we have to deal with under Hitler today in many ways. And arrangements which were then possible, and which would have been constructive, are today impossible until there is a regime of law and order in Germany. Certain economic arrangements will eventually have to be made and should be made as soon as possible but they can only be made with safety with a Government in Germany which has definite respect for the rights of others -- large and small -- and which is not aimed at world domination.

I put forward that it is not realistic to assume that with the gaining of its now proclaimed objectives in Czechoslovakia, Germany will be satisfied so far as her territorial objectives are concerned. Only a year ago the German Government said just as definitely that it had no objective in Austria affecting the sovereignty of Austria.

Until

Until less than six months ago the present Government in Germany said that it had no objectives in Czechoslovakia affecting its sovereignty and territorial integrity but only wished to assure decent treatment of minorities. I will not go over the long record, but I think we must view the last Hitler pronouncement realistically and in the light of the known facts and with the realization that with Germany made stronger now, it is inevitable that the progress towards territorial expansion will continue.

Nerves are giving way under the strain in more than one part of the world. We cannot and will not let that happen here. The Monroe Doctrine is just as much of an irritant to the present Government in Germany as the maintenance of the Czechoslovakian State. We have in the end the most to lose if arrangements are made now which endanger our interests and, as I see it, there is a grave danger of that, which must be realized by anyone who takes a long-range view and a realistic attitude. A wise man asked me yesterday what the difference was between Hitler taking something which didn't belong to him and had never belonged to his country and between Chamberlain and Daladier giving away something which wasn't theirs and had never been theirs. I am fearful that in the arrangements about to be made, and which may be made in the near future growing out of the Munich meeting, someone other than ourselves is going to give away something precious that belongs to us.

It is necessary for us, as I feel all of us in this country will, to keep our heads and to maintain the long-range view. There are grave dangers in the situation even in this country. A few months after the present Government came into power, Goebbels was telling me what the Party was going to do in order to regiment the German population in every way and to make it an instrument of the state. I remarked that the methods which had been employed in Russia and which he was planning to employ in Germany would probably not be successful as the German population was much more intelligent and informed. Goebbels, who is the most profound cynic in the world today, said in German the equivalent of the following, "There is nothing so untrue which if repeated often enough all the people will not end in believing". As a fundamental practice of National Socialist Government this requires no elucidation. How dangerously true it is is reflected in the growing opinion in this country that the Czechoslovakian Government has really oppressed and ravaged the Sudeten area. The world has apparently ended in believing that what was in reality a certain unequal treatment of the Sudeten was in effect a regime of barbarity and oppression. There is food for thought in this.

G. S. Messersmith.

A-M:GSM:VNG



*file personal*  
*State Dept*

MALACAÑAN PALACE  
MANILA

October 13, 1938.

Mr. President:

This letter will be presented to you by the Honorable Sergio Osmeña, Vice-President of the Philippines, whom I have authorized to travel to the United States and, with full power and authority, for and in my behalf, to meet and confer with you and other appropriate authorities of the United States Government in connection with the execution of the recommendations contained in the report of the Joint Preparatory Committee on American-Philippine Affairs.

Respectfully,

*Manuel L. Quezon*

The President,  
The White House.

PSF:state

d-1-foreign

Hyde Park, N. Y.,  
October 17, 1938.

Dear Bertie:-

Many thanks for yours of September  
twenty-sixth. I think it is entirely right  
for you not to come over because even with  
the present appeasement all kinds of things  
may break out at any time.

I was glad to have your slant on  
Italy.

As ever yours,

Honorable Herbert C. Pell,  
American Legation,  
Lisbon,  
Portugal.

Lisbon, Portugal,  
September 26, 1938

My Dear Mr. President:

I arrived in London full of the intention of returning to the United States to assist in the campaign but the European situation appeared to me so bad that any aid I could give in America would be less than the possible scandal involved in my absence from my post during this time of crisis. I have written to the Chairman and will send over a series of articles to be published in various newspapers. These I shall have translated into Portuguese and French.

On my period of leave I went through Italy and France with my boy. Italy was much changed since I had last seen it before the war. The gaiety and noise to which I was accustomed were entirely absent. There were no excited groups talking vigorously and no singing. In spite of some definite and obvious improvements, the people did not impress me as either being as well off or as happy as they had been in the past. I am told that they are thoroughly dissatisfied with the idea of the Germans on their border and that the

majority of Italians do not like the idea of the Rome-Berlin axis. . . . When I was a boy one of the most popular phrases to chalk on an Italian wall was "Death to the Germans" and this traditional attitude has not changed very much.

One of the things that most shocked me was the signs painted on almost every wall; the most belligerent phrases extracted from Mussolini's speeches are displayed in enormous letters and it is a rare thing to be out of sight of at least one: "Believe, obey, fight"--"Italy fears no one" --"The plough opens the land but the sword defends it." These and similar phrases are plastered all over the countryside. A rather amusing detail was that we saw a few cheering Hitler and the Germans but all of these were along the railroad line and visible from the trains, placed there on the assumption that it was not worth bothering about the few Germans who had money enough to travel by automobile. We did not see a single one of these signs out of sight of the railroad.

In spite of all the ballyhoo, I did not find the Italian roads as much improved over 1913 as the French. Of course in both countries the roads were better than they were then but the difference in average speed was quite as great in favor of France today as it was before the war. I am of course speaking from the point of view of a safe driver.

The Czech situation had not reached its greatest intensity until I arrived in London. At that time the people were solidly back of the Government. I believe that Chamberlain has rather divided his own people than united them but if the crash comes, they will unite quick enough. Of course I can give you no facts of any value. There is not a single conceivable possibility and few inconceivable ones that I have heard in the last few days as coming direct from the horse's mouth. The only thing that is obvious is that the British are preparing to throw the blame for any failure they may make on France or on the United States. The general trend of conversation seems to be that they would have done more if the French or the Americans had done something else.

I hope you will excuse me for not returning but I am certain that you will understand my attitude. Let me know if there is anything I can do. If you still want me, I could come over for a couple of weeks during the campaign and will of course do so if you telegraph.

Olive sends her best.

Faithfully yours,

*Herbert C. Pell*  
Herbert C. Pell

The President,  
The White House.

*file  
personal*

*state*

Belgrade  
October 20, 1938

My dear Mr. President:

I received this morning your letter of October 10 and am very grateful to you for taking the time to write me so fully.

I am very glad that you concur in my view that Belgrade is now a key post in the European situation. The sympathy of the Yugoslav Government is undoubtedly more with Italy than with Germany, but due to the economic strangle-hold which Germany is exercising over the Danubian countries it may be that Yugoslavia will be forced to play the role of a satellite to Germany. Dr. Funk, the German Minister of Economics, was here recently and is said to have offered to take sixty per cent of Yugoslavia's produce over a period of three years, paying prices considerably higher than those of the world market. We are feeling the effect of this pressure in our negotiations, which are now proceeding, to normalize our trade relations with Yugoslavia. Yugoslav authorities claim that they wish to break away from German economic domination, but since the loss of influence of Great Britain and France in this region (and apparently in other regions as well) Yugoslavia feels that the only country she can count on now for economic support is Germany.

On

The President,

The White House.

On the next occasion that I see the Prince Regent I shall carry out your instructions and convey to him your thanks for his solicitude regarding your son. As telegraphed to the Department this morning, I have just extended condolences to Prince Paul in your name on the occasion of the death of his father, Prince Arsene.

With my kindest regards and great respect, believe me, my dear Mr. President,

Faithfully yours,

Arthur S. Lane

No. 8

Bucharest, November 1, 1938.

Dear Mr. President:

There is only one way for "the cat to jump" here and that is into the German basket. It would much prefer to remain playfully on the back yard fence but unless the British, or ourselves, or ourselves via the British, extend credits and take a real financial interest in the country there is nothing for it. Germany takes over a third of the produce of the country and sells off what it does not use for strong exchange via Hamburg, sending down a few guns, cameras, ersatz products and aspirin in return. The Rumanians know the Germans sell off a lot of their stuff and hate it but there it is. Between our two countries there can never be a fair balance as both are oil and grain producing countries. They like our machinery and armament and are put to it to find the dollars necessary to pay with. Hence the King's appeal to me for credits as reported to the Department. Even if we did meet the request, which I doubt, it would probably be behind hand and Rumania would already be in Germany's hands. As to the question of policy of whether we want to extend credits here, I am lukewarm myself, though on general principles

The President,

The White House.

I would like to see a better equipped Rumanian Army even if only as a deterrent. Not that we would lose any more money—if not done on too big a scale—than we would with similar action in Latin America. In any case, I would personally recommend limiting credits to purchases of armament, if we can spare it and first of all, in any case, I would like to see a debt settlement well under way. All the above in greater detail I have already reported to the Department and am meanwhile rather shamelessly using the Rumanian craving for credits as a goad to action on the debt.

As reported to the Department, your intervention with Hitler, Mussolini and Benes was hailed here with deep admiration and relief. On all sides and from all quarters I heard your praises sung and it made me glow with pride.

As to the future, I for one realize that I do not know "the half", as the saying goes, of what transpired between Chamberlain and Hitler. Anyway, Europe today and Europe before the Munich Accord are two different things. One of the many prominent German propaganda visitors—they have one here nearly every week—said at a luncheon party the other day that Chamberlain was loathe to risk war as he knew that the German Government had approached and bought Marshal Bluecher. I should think it quite possible as in the case of Tukachiewsky, though it seems a little far fetched to reach out all the way to Siberia for Bluecher, but he is reported to be their best general and likely to be brought back to the West. Anyway, Moscow has suffered a great defeat and in case the regime changes in Russia the political

political and moral reason for the existence of Nazism will largely disappear. Of course events hardly ever produce immediate consequences where human beings are concerned, because through the force of inertia their thoughts and often their actions continue in the same general groove.

I have a grand story for you of Princess Bibesco about her visit at Marshal Goering's country place, how knowing his covetousness for hearty jewels she pinned on her jersey in the morning the most barbaric pieces she could find in her collection of heirlooms and how Goering's eyes glistened, and of the toy train in the attic which was bombed upon pressing a button and Francois Poncet who asked whether it was that time a French train as it had been when he saw it or whether for her the Marshal had changed it to a Rumanian train.

There is one current as well of a vital interview between Hodza and the French Minister in Prague, when the latter upon being pressed for definite assurances of French military support replied that most certainly the Czechoslovaks could count thereon with the utmost certainty, but naturally cu'en raison de quarantes heures par semaine.

We are off this week for a few days in Poland, two at a Polish country house—Countess Betka's at Lanjut—where I shall meet well informed Poles and hear talk of their Government's plan regarding Ruthenia, and two with Tony Biddle at the Warsaw Embassy.

With

With highest regard, I am, dear Mr. President,

Yours most respectfully,

*Frank B. Rowland*

P. S.

Of course if we should happen to achieve a trade agreement with Germany, which would result in its taking large amounts of agricultural products and oil from us, the strain and pressure here would be correspondingly lessened.

*White Sept*

November 12, 1938.

Dear Ray:-

That is an extremely interesting letter of yours and I am delighted that the King got the impression in Berlin that my message came at the right time and really had some effect.

By the way, is there any possibility that the King and Queen might come to the United States next Summer at the time of the Expositions? I do not crave Royal visits, as I expect to be completely exhausted by the British visit, but if they would like to come it would be a good time.

My best wishes to you,

As ever yours,

Honorable Ray Atherton,  
American Legation,  
Sofia,  
Bulgaria.

~~Confidential~~

Sofia, October 13, 1938.

Dear Mr. President;

In my telegram to the Secretary of State on September 28th I reported a conversation with the Prime Minister, in which he referred to the arguments used by King Boris in his talk with Hitler in Berlin on Sunday, September 25th, urging that a German-Czech settlement be negotiated without resource to force.

I was received by the King yesterday, who in discussing the crisis, outlined at some length various of his views. Because of his remarks as to the timing and impressions created by your first message to Hitler, I venture to transmit them as of special interest.

The King began by saying he had had to do with dictators all his life; in fact he had

been

The President,  
The White House,  
Washington.

been first included in audiences granted by his father, whom he now envisages as a dictator. In the course of his own reign he had to deal with Stamboulisky and Tzankoff, both dictators of contrasting types. He remembered Mussolini when he was an ardent Socialist, dreaming reforms for his country, and likewise he had known Hitler for some years. At the outset these dictators were doubtless sincere in their vision of the welfare of their country and their people, and impressed this not only on their immediate entourage but a great part of their nation as well. However, as responsibilities developed, no dictator could rely on the disinterestedness or self-abnegation of his advisors, who often unconsciously began pressing their own viewpoints, or in seeking favor consciously presented opinions they knew would be favorably received. He said, for example, Mussolini would be far more ably served with Grandi as Foreign Minister than Ciano, and Hitler better advised with almost any other Foreign Minister than Ribbentrop.

King Boris said that in his talks with Chamberlain, Halifax and again with King George at Balmoral as late as September 11th, he had

stressed

stressed his personal conviction that Hitler (a mystic and a visionary who had not traveled outside of Germany) had never received an accurate picture of the attitude of foreign countries regarding the German-Czech crisis, particularly that of France and Great Britain. It was his personal belief that Hitler was not a soldier at heart, and because of his experiences during 1914 - 1918, was averse to war; nevertheless, members of his government were deliberately forcing Hitler into a position where he had no other choice than a resort to force. King Boris said he believed this so strongly that he informed the British Government he was determined to make a personal appeal to Hitler in his Berlin visit, and I had the very definite impression the King believed his remarks in London confirmed Mr. Chamberlain also in his desire to talk with Hitler face to face.

King Boris then told me that on his arrival in Berlin, just after the Godesberg conversations had terminated, he had talks with Goering and Ribbentrop before he saw Hitler and clarified his facts. No one else was present in his interview with Hitler on Sunday, September 25th. Hitler

began

began by storming against Benes, declaring that Hodza had been following a policy that made negotiation possible, but that the Government of Syrový, who had adopted a more aggressive attitude vis-a-vis the Sudeten Germans, had left no alternative but force, since he (Hitler) could in no other way achieve the ends he had promised to the German people. At the beginning of their talk it was quite evident to the King that Hitler's advisors had persuaded him that force was inevitable; also, as the King in turn began his arguments he was apprehensive over the stiff and intransigent attitude Hitler adopted, which fortunately he could see gradually became more moderate. The King began by urging Hitler not to make Germany responsible for beginning another world war. "You may be", said the King, "forced into war, but do not again put a world stigma upon Germany of starting a world war. You say it will take only a short campaign to conquer Czechoslovakia, but I must point out you obviously do not realize as I do who have just come from France and England that if a war begins, no matter what your preliminary successes, these two nations are preparing

preparing for a war to the bitter end, a war for the end of Germany. Furthermore," went on the King, "not only must Germany not repeat today the mistake Germany made in 1914 by beginning a war, she must not repeat the mistake Germany made in 1914 by underrating her enemies."

The King asked Hitler how definite he was as to the combined strength, resources and determination of England, France and Czechoslovakia?--- what would be the position of other nations?--- had Germany correctly judged what would be the final attitude of the United States?--- "and," said the King, "when Germany is war weary, exhausted in victory or defeat, are you as the German Fuehrer then prepared to meet the impact of 160,000,000 Russians who will wait for Germany's hour of weakness to enter the war effectively against her and condemn all Europe to Communism?"

The King pointed out that Stalin's purge of 10,000 men was nothing in a nation of 160,000,000, where the new forces are unknown and where generalship could be imported from "Christian nations", if necessary, for a war against Germany.

In conclusion, the King pointed out that Bulgaria had in turn suffered with Germany in the

past

past. He did not want Bulgaria to suffer the privations and terrors of Communism and anarchy now because of Germany. In the King's opinion two choices only were open to Hitler, one, war, which could only end in a victory for Russia and Communism, or two, negotiation, which would assure Hitler the successes that had already been promised him and a proud place in his country's history. At the end of his talk the King said Hitler escorted him to the door of his car and he knew his words had made an impression.

According to the King it was almost immediately after this interview that Hitler received President Roosevelt's telegram of September 26th. That was the day the King left Berlin, but before his departure he was told of the tremendous effect the President's message had had on Hitler, and he felt confident his own talk with Hitler had been a dramatic preliminary to the "inspired" and evidently quite unanticipated personal message direct to Hitler from the head of the American nation. The King said he felt this forceful message at such a decisive moment prevented Hitler from definitely closing the door to further negotiation, as reflected in his public address of

Monday

Monday evening, September 26th. Since that time the King said he was more and more convinced that even though the price demanded of the Czechs might seem high, the people of the world and the German people as well had learned that conquest by negotiation could be just as extensive as conquest by war. Thus, war, which no man wanted, was just that much back-staged as a necessary instrument of national policy.

In conclusion, the King referred to Germany's policy of economic penetration in Southeastern Europe, and closed with some reflections on Bulgarian national policies. He gave me liberty to transmit for your information any part of his remarks which I felt might be of interest, requesting that in other respects they be regarded as strictly confidential, because of the nature of the views he had expressed.

I remain, Sir, with great respect,

*Sincerely yours*  
*Ras, Arthur Tom*

---

PSF: State Dept. folder

file  
personal

No. 9

Bucharest, November 14, 1936.

Dear Mr. President:

Since writing you on November 1st, I have spent six days in Poland, a most interesting visit, but we are glad to be back and thank you and our lucky stars that we are stationed here, not there.

First of all, Tony Biddle is doing a grand job and people like them both immensely. He is keen and a sincere student of his work. We stayed at the Embassy and Tony and I went over our respective problems from A to Z. While there they had a dinner of seventy odd, beautifully done and the obvious liking of the guests for the hosts was only matched by the latter's charm and hospitality. The caviar came from Rumania and the Poles went after that dinner like lions!

You were good enough to instruct me to send you my impressions, after conferring at a neighboring post, so I venture to burden you. They are varied and I shall interlard them with various things I heard from Poles both in Warsaw and at a country house—Lanqut—which was on our way.

The Secret Service information of the Poles was that there was absolutely nothing backing up the four  
divisions

The President,  
The White House.

divisions of Russian troops on the Polish frontier, and there was only one road to service them! These appear to have been the only Russian troops moved up during the Czechoslovak drama as here in Rumania our information was that the Russians had moved all troops fifty to a hundred kilometers back from the Russian frontier so that they couldn't possibly get into any trouble. So much for Russian "support"! The Poles say that when the Russian tanks had charged up to the Polish barbed wire frontier the commander of the Polish troops ordered his men forward, halted them at the barbed wire, ordered them to turn around, then to bend over and take their trousers down! Polish humor!

It appears to me that one of the best commentaries on Bolshevism is that after all these years even border Poles far from having been won over to Communism are the most violently opposed to it as they know it the best from personal observation, ghastly, grizzly failure that it is. I have lately had a couple of long sessions with Walter Duranty here in Bucharest. He seems thoroughly disgusted and fed up to the point of asserting flatly that he will never go back again. I heard while in Poland a curious explanation of the wholesale slaughter in Russia, to wit, that a woman with great influence over Stalin was in fact a German Gestapo Agent and that she it is who is directing the planting of Russian generals and gradually getting them killed off.

I feel satisfied, and Tony concurs, that the Ruthenian question far from being settled is only just beginning

beginning. The Germans find in it a good substitute for the Sudeten question. Everytime the Hungarians get obstreperous, Germany will use it, as well as to annoy the Poles. The Ruthenians are excited and are going to be kept that way. It is said that anyone in Ruthenia can be bought from the top down. No final solution would appear likely until the whole Ukrainian question is settled one way or another, who knows yet how. Another danger is that the principle of self-determination, invoked always when purpose suits, may be used by Hungary with German support against Rumania to make up for having fallen short of what was hoped for by Hungary in Sub-Carpathia. I have dealt with King Carol's attitude in extenso in despatches to the Department. Germany will probably not try anything too aggravating on the Poles as Germans know that the Poles, unlike the rude but pusillanimous Czechs, will fight rather than give up one inch of their rights or territory. At bottom the Poles hate the Germans but have to live next door so make the best of it.

The Czech Maginot Line, as you know, has fallen into German and Polish hands. It has been a real eye-opener as to defensive warfare and pronounced by one and all as absolutely untakable without prior accurate information. The possibilities thus shown for defensive warfare are such it almost leads one to hope that aggressors will be restrained where such or similar defenses exist. There is another salutary feature

which

which has struck me and that is the widespread opposition of civilians everywhere to war, and the older generation, on account of air raids, now talk about danger to women and children—meaning themselves—when formerly they were the ones who egged matters on and mumbled things about "our brave boys at the front." This applies also to politicians who formerly ran no risks. I told King Carol here recently that my impressions in Germany last summer, after talking with everyone available, was that the German people dreaded war and were not at all prepared to fight.

There was current an amusing story of a poor neurasthenic confined at home who every time he turned on the radio Hitler was talking for two hours or so. Everytime he opened a German newspaper it was just Hitler, Hitler. Unable to stand it any longer, one day he went hay-wire, ran down the stairs and out into the street just as the army was marching by, but, nevertheless, in his extreme nervous excitement shouted, "Down with Hitler." And then stood waiting to be killed; but the army continued on and nothing happened. So he again cried, "Down with Hitler," and again for the third time when a soldier broke ranks and advanced towards him. The poor neurasthenic squared his shoulders expecting to be bayoneted. Instead of which, the soldier said in a soft voice, "Better look out. There's a fellow two companies behind who is for Hitler."

Certainly, that champion upstart and opportunist Hitler got a very bad fright in September when his bluff

came

came so near to being called. I am told that he had not at all counted upon the mobilization of the British Fleet, much less upon the connotations of your firm remonstrances. Even a short war would probably see the end of him. However, he will probably be at it again ere long in this general direction and egged on by such poisonous politicians of the party as Goebbels. As the mother of Napoleon used to say: "pourvoo que ça doore."

Germany of today is Napoleonic. I have had some long talks here with a very knowledgeable German Jew, Otto Jeidel, well known to Mr. Messersmith, who used to be very close to Schacht and has a thorough acquaintance with Schacht's financial edifice including the "intermediate financing," a euphemism for inflationary financing. Jeidel has got away from Germany saving most of his personal fortune, it is said. He feels that the only apparent weakness in Germany today is overstrain—in everything—in the daily lives of the people as well as in Government tension. I was talking with him re Germany's financial weakness, a special conviction of mine. He granted the points I made but maintained that it was one of those situations which might drag on for years and was already ameliorated by the Sudeten acquisitions. Certainly, if they achieve complete financial hegemony over this part of the world, with Rumania's grain and oil their resources will be far greater against the time when war does come, if ever. Unless the British and or ourselves, or just the British with or without help from us do take a big stake here and quickly,

the

the above, in my humble opinion, is only a question of a very short time in the life of this nation. I do not relish the thought personally of being here an unwilling spectator while Rumania is being gobbled up by lager-fed swarms of German locusts. The recent British purchase of wheat is too small a bite at the cherry to do any real good and will serve only to speed up German plans for complete economic domination of Rumania. Time is of essence if anything is to be done to save it. So far the British have, as usual, taken a good long look at the bus from every angle and then missed it. However, King Carol may get somewhere during his visit provided that there is not a tacit understanding between Chamberlain and Hitler regarding this part of Europe. I would like very much to go to London myself after the results of his visit have crystallized and see whether I can find out from my own sources and elsewhere just what the British really intend to do. I would like also, if permitted and can spare the time, to spend a few days in Paris, as the constructive plans of Daladier and Reynaud are most interesting and might eventually result in influences of enormous importance to this country and, indirectly, to our interests here. Of course, as you know, the French have largely lost out here to date.

It was the Otto Jeidel, above mentioned, by the way, who made the suggestion to George Rublee that the only way he could think of to cause favorable reception in the U. S. A. of new trade negotiations with Germany

was

was for the latter to be induced to make a substantial cash contribution to help out in eventual transportation and assignment of political refugees. Jeidel's address will shortly be the uptown Fifth Avenue Branch of the Bankers Trust Company. The Minister of Finance here, Mircea Cancicov, told me that Jeidel has his fortune in gold bars and, naturally, out of Germany.

With highest regard, dear Mr. President, believe me,

Yours most respectfully,

*Franklin D. Roosevelt*



*file  
personal  
State*

LEGATION OF THE  
UNITED STATES OF AMERICA

Lisbon, November 22, 1938

My dear Mr. President:

I have gone over the results of the elections as carefully as I can and it is possible that you might be interested in the point of view of a distant observer who was not able to take any part in the Campaign.

The thing that first jumps into my view is that the great fundamental principles of your developments have been accepted by the people at large as an integral part of the American social scheme and that they refuse to consider them any longer as party principles. Such an evolution is obviously necessary if they are to be as I have described them "developments"--if they are not to mark an almost revolutionary break or dissolve into failures, of pious memory. The time is coming quickly when we can no longer claim them as party contributions any more than we can claim the Declaration of Independence or the Republicans the Emancipation Proclamation. As far as I can see practically every Republican elected them en masse.

I do not believe that the election indicates a shift in public opinion favorable to a reaction and a repetition of the Coolidge carnival. "Back to Normalcy" and "Keeping out of the cooler with Coolidge" will not again be successful political cries. The election did not indicate that a weary people has turned back to the old gods but that astute politicians in charge of the Republican organization have decided to renovate their stock in trade and to offer the customers at least an imitation of those goods which at the rival establishment have proved so popular.

As far as I know, with the possible exception of James of Pennsylvania, every successful Republican ran on a platform and advocated principles which would have horrified Coolidge and (I infer from the general nature of his speeches) did horrify Mr. Hoover. Our patent is running out.

I also take the occasion of calling your attention to the fact that you are the first man who has served two terms since Andrew Jackson, just over 100 years ago, who has maintained a continuous party majority throughout his eight

MAIL ROOM  
REC



LEGATION OF THE  
UNITED STATES OF AMERICA

-2-

years. The nearest approach to it was Theodore Roosevelt whose first Congress, as you and I remember, was elected to support McKinley but who succeeded in leaving a Republican Congress for the first two years of Judge Taft's term.

Another encouraging feature is that there has never been a change of party in the White House since the Civil War which was not preceded by a lost House of Representatives. The exception which you will undoubtedly instance of the Democratic Congress elected in 1888 is not a case in point because Cleveland in the election of '88 received a larger popular vote than did Harrison.

If you have not succeeded in converting all of your own party to the wisdom and justice of all of your ideas you have certainly convinced the opposition of their political necessity. The jubilations of the thousand sleepers of Wall Street who have succeeded their seven Ephesian predecessors (by the way a triumph of American quantity production) are quite unjustified. There will be no penitential chapel erected over the bones of Harding and those happy pilgrims who visit the tomb of McKinley in the expectation of his present resurrection will see their hopes wither.

Your developments in which I am proud to have had a small share are doomed to success; they may be battered and lose the shine which they might have preserved in a glass case. They will never acquire the nostalgic charm of a lost cause but they will be an integral part of that America, improved by our service, which we will leave to our children as the only payment we can make for the America improved by the efforts of their ancestors which we inherited from our fathers.

Clive sends her love and I shall hope to see you in the near future.

Faithfully yours,

*Herbert C. Pell*  
Herbert C. Pell

The President,  
The White House.

HCP:DG





DEPARTMENT OF STATE  
WASHINGTON

*file  
Personal State  
1938*

In reply refer to  
PR 811.001 Roosevelt, F. D./6114

November 28, 1938

My dear Miss LeHand:

I am sending you herewith a copy of a resolution passed unanimously by the Chamber of Commerce of Auch and Gers, France, expressing gratitude to the President for his efforts in behalf of peace, which was forwarded to the Secretary of State, for the President, by the Ambassador of the French Republic.

The Ambassador has been requested to convey to the senders an expression of the President's appreciation of their courteous thought.

Sincerely yours,

*G. J. ...*  
Chief of Protocol.

Enclosure:  
Copy of resolution.

Miss Marguerite A. LeHand,  
Private Secretary to the President,  
The White House.

Department of State

PR

BUREAU  
DIVISION

ENCLOSURE

TO

Letter drafted

ADDRESSED TO

Miss LeHand

[Translation]

EMBASSY  
OF THE FRENCH REPUBLIC  
IN THE UNITED STATES

Washington, \_\_\_\_\_

The Ambassador of France to the United States has the honor to transmit, herewith, to His Excellency the Secretary of State an address passed unanimously by the Chamber of Commerce of Auch and of Gers, intended for the President of the United States.

The Ambassador of France would be greatly obliged to His Excellency the Secretary of State if His Excellency should have the goodness to forward this communication to its high destination.

M. de Saint-Quentin is happy to avail himself of this opportunity to renew to the Honorable Cordell Hull the assurances of his very high consideration.

Washington, November 10, 1938.

His Excellency

The Honorable Cordell Hull,  
Secretary of State of the United States,  
Washington, D. C.

TR: :IML

CHAMBRE DE COMMERCE  
D'AUCH  
ET DU GERS

Téléphone 57

AUCH, LE

EXTRAIT DU REGISTRE DES DELIBERATIONS

Séance du 5 Octobre 1938

Sur la proposition de Monsieur Maurice TROUETTE, Président, la Chambre de Commerce d'Auch et du Gers a voté à l'unanimité la motion suivante :

Le Président et les Membres de la Chambre de Commerce d'Auch et du Gers reconnaissants des efforts que Monsieur le Président ROOSEVELT a tentés heureusement pour sauver la paix du monde lui adressent l'expression de leur gratitude et de leur admiration.

Maurice TROUETTE, Président, signé.

Pour copie conforme  
Le Président  
de la Chambre de Commerce d'Auch et du Gers



*M. Trouette*

*State*

*file  
personnel.*

THE WHITE HOUSE  
WASHINGTON

~~CONFIDENTIAL~~

December 1, 1938

Memorandum For Miss Tully.

The State Department has heard no word on the following matter and is wondering if the letter has been misplaced:

On November seventeenth Assistant Secretary of State Sayre wrote to the President with respect to a proposed trade agreement between the United States and Venezuela involving a reduction of the import tax on petroleum.

Could you check this and let me know if any action has been taken on it?

*JHR*  
James Rowe, Jr.

*W.R. -  
yokup*

THE WHITE HOUSE  
WASHINGTON

Warm Springs, Ga.,  
December 2, 1938.

MEMORANDUM FOR

HON. FRANCIS B. SAYRE <sup>x20</sup>

Would you talk this over  
with the Secretary of the Interior <sup>x6-4</sup>  
and his oil people and we can  
discuss it next week?

F. D. R.

Letter from Mr. Sayre, 11/17/38 to the President.  
Copy in our files.

x61-0

5-35

November 17 1936.

-66  
-614-A

My dear Mr. President:

Relative to my conversation with you on June 3, 1936, with respect to a proposed reduction of 50 percent in the import tax on a limited quantity of imported crude petroleum and fuel oil in connection with the proposed trade agreement with Venezuela, I now take this opportunity to lay before you the presently recommended proposal.

x 56

A reduction in the import tax on these products is essential to the conclusion of a mutually satisfactory trade agreement with Venezuela, but would not be granted by this Government without obtaining in return from Venezuela substantial concessions for United States export products. Under those conditions it is proposed to grant in a trade agreement with Venezuela, a reduction from 1/2 cent to 1/4 cent per gallon in the import tax

The President,  
The White House.

tax on crude petroleum and fuel oil entered for consumption, such reduction to be applicable only to an amount of imports equivalent to 5 percent of the total quantity of crude petroleum processed in the refineries in the continental United States during the preceding calendar year as ascertained by the Secretary of the Interior. The import tax on all imports in excess of such an amount would be bound at the present rate of 1/2 cent per gallon.

The Venezuelan Government has strongly requested a 50 percent reduction in the import tax on crude petroleum and fuel oil. It is believed that such a reduction, accompanied by the above-mentioned safeguard, is entirely justifiable from the standpoint of the national interest, as well as being in the interest of American export trade. As you are, of course, aware the United States is on an export basis in regard to petroleum and petroleum products.

I should greatly appreciate knowing whether the proposed concession meets with your approval.

Faithfully yours,

FRANCIS B. SAYRE

THE WHITE HOUSE  
WASHINGTON

December 8, 1938.

MEMORANDUM FOR  
THE STATE DEPARTMENT



Will you be good enough  
to reply to the enclosed?

F. D. R.

Note from Sen. Carter Glass, Lynchburg, Va.,  
12/6/38, forwarding telegram from Judge Jacob  
J. Kaplan, Conference Chairman, and Elihu  
D. Stone, Natl. Vice-Chairman, United Palestine  
Appeal, 600 Washington St., Boston, Mass.,  
12/5/38 to the Senator, asking that Britain  
increase immigration into Palestine.



DEPARTMENT OF STATE  
WASHINGTON

*State - 1938*

*File  
Pres. mail.*

In reply refer to  
PR

December 14, 1938

My dear Miss LeHand:

I am returning herewith a communication addressed to the President by the "International Institute of Peace", which was apparently referred to the Department from the White House for translation. The Institute desires to present certain gifts to the President and Mrs. Roosevelt.

The American Chargé d'Affaires at Paris has been requested to make appropriate acknowledgment of the receipt of this communication and to suggest to the writers that the presentation of gifts to the President is a matter which should properly be taken up through the French Ambassador in Washington.

Sincerely yours,

*G. T. Summerlin*  
George T. Summerlin,  
Chief, Division of Protocol.

Enclosure:  
Original communication from the International Institute of Peace, with enclosures;  
Copy in translation.

Miss Marguerite A. LeHand,  
Private Secretary to the President,  
The White House.

file  
Confidential

DSF - State Dept

DEPARTMENT OF STATE  
WASHINGTON

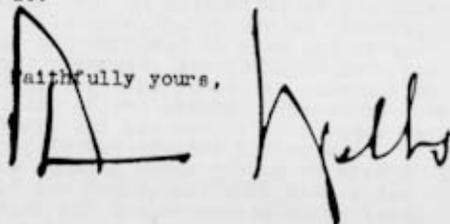
December 15, 1938.

My dear Mr. President:

With reference to our recent conversations on the subject of Brazil and with reference to the talk that Breckinridge Long had with you upon his return from his trip to Rio de Janeiro, I have received today through our Embassy in Rio de Janeiro a translation of a communication in German sent by General Heinz von Horntz to Ribbentrop. Aranha has sent me this document in the utmost confidence, and I believe that you will be interested in reading it.

Believe me

Faithfully yours,



The President,

The White House.

ENGLISH TRANSLATION OF A PORTUGUESE TRANSLATION OF AN ORIGINAL  
IN GERMAN

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MINISTRY OF WAR

October 28, 1938.

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COPY - Note - Translation of Document No. 2.

His Excellency  
Herr Ribbentrop,  
Minister of Foreign Affairs,  
Berlin.

I have now been here about one month, having journeyed through the Federal District and the State of Minas Geraes, and being at present stationed in São Paulo, the third stop of the first itinerary. I hope that I have accurately carried out your orders, as I have made every possible effort to put Your Excellency au courant with the facts which I considered most important and which I was able to observe. When I arrived here I no longer found Raunegger, the person mentioned in Your Excellency's telegram, who was set free by reason of the substitution of the Chief of Police of the State of São Paulo. I ascertained that he showed cleverness and intelligence, having removed all suspicion existing against him. He left for the South of the country, and is at present in the city of his domicile. There was absolutely no necessity for me to intervene, as instructed by you telegraphically, in favor of Willesbann; he is now at liberty, continuing his activities, has suffered no harm and it appears that he will continue unharmed, according to information from the police themselves. The competent authorities do not believe that he is one of our agents. Frederico continues in the powder factory, and has conducted himself very creditably, no suspicion up to the present having been aroused against him. I am sending you a résumé of what I observed in Rio, Minas and São Paulo, and will send a detailed report, together with all the documents which Your Excellency requested, within the first week. I should leave for the State of Paraná within twenty days, and from there I shall go to Santa Catharina and Rio Grande, where I shall verify our constructions (sic). \*\*

POLITICAL - Brazil is one of the most disorganized countries of which we have knowledge. Those having least rights in this country are the actual native sons of the country. Politics absorb about 90% of the national activity; those engaged in politics are men easy to manage, of low price, little character and no patriotic sentiment; they

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\*\* Probable meaning: - the organization which has been built up.

place their personal interests above the interests of the nation; the same is true of the officers of the Army, though to a lesser degree. My experience with an official of the General Staff of Minas was crowned with complete success, as Your Excellency will see by the papers which I am sending. INTEGRALISM continues, though divided. There is a sort of nationalist faction, which will be easy to dissolve, composed mainly of the military and intellectuals, existing in greatest numbers in the State of Minas and the Federal District. The rest remain obedient to the leader, Salgado, and faithful to the same ideas. COMMUNISM, under the cloak of Democracy, is the largest party in Brazil. The entire Government of São Paulo is closely connected with this pseudo-Democracy, carrying on a struggle against regional politics, the latter absorbing the attention of the Central Government. The "Intelligence Service" is intimately connected with Brazilian politics, orientating, assisting and with pounds sterling manoeuvring to defend British interests. It is aided by the American policy of absorption and Jewish infiltration, preventing the country from organizing and arming. As Your Excellency already knows, the mineral riches of Brazil cannot be developed because of Anglo-American pressure. Even within the Army there are malcontents and anti-militarists. The Brazilian Army is a political army and very divided. There is a not inconsiderable number of Teuto-Brazilians; the officers are badly paid, weighed down by debts; however, practically all of them are well prepared technically but badly orientated, and are closely connected with the internal politics of the country. All the great Powers have their information centers located in the four Southern States. The network is large, especially in São Paulo. Japan is the best organized of all, maintaining absolute control in the interior. The Jews are largely responsible for the campaign against us. They have become organized, aided by the false democrats and by the agents of the I.S.\*\* they have done us plenty of harm. They are gaining control of commerce and industry, and instigating a big campaign against the Aryan. With regard to the speech to which Your Excellency referred--Program of the Fuhrer, "Austria-Czechoslovakia-South America", the Jews have exploited it fully, attempting to create hate against us, hate which increases day by day. Molly told me that she had received information that plans are being made to persecute Nazi Germans, this being the greatest vengeance of the Jews and Communists. There are here many agents-provocateurs of the G.P.U. who occupy themselves exclusively with this task. In the Federal District and the States of Minas Geraes and São Paulo, I organized a good network of resident agents. The preparation for the armed movement is already well initiated. In Minas,

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\*\* Presumably the Intelligence Service.

SURERUS will superintend it; in Rio, THEODOR WILLE and KOENING and some more of their friends will undertake the necessary. I gave orders that they should approach the armed classes, Integralists, discontented groups, and opposition political parties. Von Cossel \*\* believes that Your Excellency's plan will be successful. I visited our deposits in Minas, the Federal District and São Paulo and found them small in case civil war should be achieved. I know that the Japanese colony is well furnished with technicians and materiel. With regard to the Italian and White Russian colonies, I did not obtain information. If civil war is brought about, everything will take care of itself. If it should not be successful, I do not believe it would be good politics to consider the ethnical minorities in Santa Catharina. Of our new agents stationed by me in São Paulo, 22 are Brazilians. The Austrian colony is not so small as Your Excellency believed. The information sent from our Embassy here is not absolutely correct. The Austrians resident in São Paulo, remain, as they always were, disinterested in things German, not recognizing the Anschluss. I learned in the Consulate that they intend to naturalize themselves as Brazilians. I do not know whether they are united with the Jews. In our circles, based upon information received from the South, only the plan of our Fuhrer could favor our objective, without drawing in the United States. The Republic of Argentina has greatly reduced its information service, being interested only in the military and naval aspects. I did not find out anything of interest in my visits to the Embassy at Rio and the Argentine Consulate in São Paulo. I do not believe that we can have a great deal of confidence. I beg leave to remind Your Excellency that it would be interesting for you to communicate with our Embassy in Buenos Aires, and after reaching an understanding with the Chief of the Mission, to communicate with me, in order that I may put our consuls au courant with the facts, for the better orientation of our agents. Our Fuhrer has demonstrated, once again, his great capacity. Our effectives in São Paulo are considerable, comprising more than 35% of the population, Germans, Japanese, and Italians, and even Brazilians. I shall leave for the South, where I shall write a new letter but only after very careful observation. I await your orders for the Consulate at Porto Alegre. If Your Excellency approves, I shall leave for Buenos Aires, where I shall confer with our Ambassador and the Chief of the Mission (sic). There will go forward in the consular pouch of Friday next two secret regulations of the campaign orders of the Army, from which Your Excellency will be able to see that they are identical with the French. The Argentines who are in my house are at your entire

\*\* von Cossel is the "Cultural Counselor" of the German Embassy in Rio de Janeiro.

disposal, in the power of my daughter Ruth. The photographs of the forts of Rio and Santos and of the vessels of war, and a "vade-mecum" of the General Staff, will also go forward. Molly will see to the transmission of these. Our agents in São Paulo are contending with some monetary difficulty; the German firms domiciled here, however, have aided them considerably. We need more funds. Two weeks from now I will send information regarding Parana, from where I will leave for Santa Catharina, in order to inspect on the ground our constructions, as I already stated above.

etc., etc., etc., ....

Heil Hitler.

(signed) HEINZ von HORNTZ

Lieutenant General retired (Reserve)

São Paulo, August 25, 1938.

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Compared with the original

(signed) Major Octavio da Silva Paranhos,  
Major, Chief of the Secret Service.

✓ 15  
p.m.

Dr. A. Loudon, newly appointed Minister of the  
Netherlands to the United States

Dr. A. Loudon was born in 1892. He has spent nearly his entire career in the diplomatic service, having served previously in Sofia, London, Mexico City, Madrid, and Washington (as Secretary of the Netherland Legation in 1926). He was Minister to Switzerland at the time of his appointment as Minister to the United States. He will also be accredited as Netherland Minister to Cuba.

In addition to his native language, he speaks English, French, German and Spanish, all fluently.

He was accompanied to Washington by his wife and their baby daughter.

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P.M.

Mr. Kensuke Horinouchi, newly appointed Japanese  
Ambassador to the United States

Mr. Horinouchi was born in 1886. He graduated in political science from the Tokyo Imperial University, 1910; became a diplomatic attaché in 1911; served in the Commercial Bureau of the Foreign Office, in the Consulate General at London, and as Third Secretary at the Embassy in London; accompanied the Japanese delegation to the Versailles Peace Conference, 1919; Chief, second section of the European-American Bureau of the Foreign Office, 1920; Consul General at Tsingtao, 1920; Counselor of Embassy and Chargé d'Affaires in China, 1929; Counselor of Embassy in Washington, May 1930-January 1931; Consul General, New York, January 1931-April 1934; director, successively, of Research and American Bureaus of Foreign Office, 1934-36; made Vice Minister for Foreign Affairs, April 1936, which post he has held until his present appointment.

He was accompanied to the United States by his wife. They have no children. Speaks English.