LONDON, March 11, 1940.
LONDON, March 11, 1940.

The King received the Ambassador and myself at 4:30 in a small drawing-room on the second floor of Buckingham Palace.

The King, who was dressed in uniform, was alone, and the three of us talked for half an hour. The conversation, was rather strained, with occasional lengthy pauses.

The King made it very clear that he hoped that no peace negotiations would be undertaken until the Nazi régime in Germany had been destroyed. He felt, he said, that no real peace could come to the world until Germany had been shown that she could not dominate Europe.

He spoke with force, and was far graver in his manner than when he was in Washington last June.

He mentioned his recent trip to the Front, where he spent a week, and he expressed the conviction that the morale of both the British and French forces was admirable. He was delighted with the exploit of the British Navy in getting the "Queen Elizabeth" safely to New York.

He spoke with very obvious enthusiasm of his visit to the United States, of his conversations with the President, and particularly of his trip to Hyde Park.

At five o'clock the Queen came into the room and we moved into a small adjoining drawing-room where a tea table was set with four places. No servants were present. The Queen's two dogs, who came in with her, kept racing around the room, and under the table, throughout the conversation.

With the arrival of the Queen the conversation became far easier. The Queen said that their trip to America seemed
seemed like a happy dream of another world, and very long ago. I said that I had never known of a more completely successful visit, and that I believed it had created a very genuinely friendly feeling on the part of many millions of my fellow-citizens.

The Queen then began to ask me questions regarding my impressions of Germany, immediately thereafter saying that she knew she should ask them. I evaded replying as gracefully as I could, limiting myself to saying that I had been most courteously received, but that the newspaper reports that Herr von Ribbentrop had refused to speak to me in English were correct. Both the King and Queen spoke with vehement detestation of Ribbentrop, and the Queen told me of various incidents when Ribbentrop had behaved with gross discourtesy at the Court. She said that one of his difficulties had been that when he arrived in London he had been immediately surrounded with the "wrong people", who had given him no true idea of how the British people really felt towards Germany.

The Queen spoke of the problem which was now created for her by the fact that Madame Molsky, the wife of the Soviet Ambassador, had just become doyenne of the Diplomatic Corps. She felt it would be impossible for her to have any of the diplomats, even informally, to dine, since she would not receive the Soviet Ambassador and his wife.

As I left both the King and the Queen asked that I convey their affectionate remembrances to the President and Mrs. Roosevelt, and say that they would never forget their days in the United States. They also asked particularly to be remembered to Secretary and Mrs. Hull.

When
When I started for the door, the Queen called me back, and, in an aside, said "If you see Count Grandi in Rome, please tell him that we all remember him with the greatest regard, and that we wish him well."
LONDON, March 11, 1940.
LONDON, March 11, 1910.

The Prime Minister received the Ambassador and myself in the Cabinet Room at 10 Downing Street at 6 p.m. Lord Halifax came in shortly afterwards.

The Cabinet Room, which runs across the back of the house on the ground floor, is considerably smaller than the Cabinet Room in the White House. A green baize table almost fills it. The windows look out upon the Park.

Mr. Chamberlain was sitting alone at his place at the Cabinet table when we were shown in. He is one man who does not in the least look like his photographs. He is spare, but gives the impression of physical strength, and he seems much younger than his 71 years. His hair is dark, except for a strand of completely white hair across his forehead. In conversation one obtains none of the "puzzled men" effect of which one hears so much, and which photographs emphasize. The dominating features are a pair of large, wary dark and piercing eyes, and a low and incisive voice.

Mr. Chamberlain read the President's letter which I at once handed him. I said that he was already fully informed of the nature and limitations of my mission, but that I wished to say to him, as I had to Lord Halifax, that I had no suggestions nor proposals to offer. As he had seen from the President's letter, I was hear to listen and not to talk, and that I would be most grateful for any information he would give me, and for any views he might care to express, for the President's knowledge, as to the possibility at this stage of any negotiation of a real and lasting peace.

Mr. Chamberlain
Mr. Chamberlain said Lord Halifax had reported to him the talk I had had with the latter earlier in the afternoon, and that he wished me to be assured that he and the members of the Government were completely at my disposal. They would give me all the information they possessed, and he himself was now prepared to answer any questions I cared to ask him.

I commenced by saying that I had been very much impressed, when I was in Berlin, by being told by every one of the members of the German Government with whom I had spoken that Germany was fighting a war of self-preservation; that England was determined to destroy the German Reich, to make impossible the unity of the German people, to annihilate Germany as such, and to crush the present German régime. I had been told that Germany had consequently been forced into war in order to preserve her integrity. I said I would be interested to know what the real policy of Great Britain might be in that regard.

Mr. Chamberlain said that only within the past two weeks he himself in an address at Birmingham had announced on behalf of Great Britain that his Government had no desire to crush the German people nor to mutilate the German Reich; that what England was determined to do was solely to defeat a Government in Germany which was set upon a policy of cruel military conquest, which rendered insecure the position of every nation of Europe, particularly the smaller neutral powers, so that peace could be restored to Europe upon a foundation of confidence and respect for the independence and integrity of all nations, and of faith in the sanctity of the pledged word. He said that subsequently both Sir John Simon and Mr. Eden had delivered
delivered addresses of a similar character, giving like assurance to the German people that the latter's independence and integrity were not assailed by the Allied Powers.

I replied that of course I had read these addresses with the most careful attention. I added that I wondered if Mr. Chamberlain fully realized how these addresses had appeared in Germany. I asked if he had time to study the reports his Government undoubtedly received of the German press and of the German radio. I said that it had seemed to me that while I was in Berlin, and reading the German press, and listening once or twice to the German radio, as if the very addresses to which he had referred had been so interpreted to the German people as to make them believe that the very words he had intended to use in order to make clear that the fate of the German Reich and of the German people was not at stake, were a direct threat to the safety and unity of the German nation. In countries like Great Britain and the United States it was difficult to grasp how complete was the black-out in Germany of the power of the individual to comprehend what was going on in the rest of the world, and in particular what the declared and official policies of Germany's antagonists might be.

I said that I had gained the impression - perhaps erroneous, because my stay in Germany had been so short - that the German people today really believed that their own life as a nation was at stake, and that at least some of the rulers of Germany had so identified in their own minds the fate of Germany with the fate of the Nazi régime, as to give them the same conviction.

Mr. Chamberlain did not reply for a minute or two. He then
then said, "You are probably right. And that is a problem we here have got to think more about. But I can't think now what the solution may be. It makes more than ever clear in my own mind the truth of what your President has said, that one of the essentials to a lasting peace is freedom of information."

He then went on to say that we might take as a premise the positive assurance that England had no intention of destroying the German people, nor of impairing the integrity of the German Reich. England however could not in the first place consider the possibility of peace unless Germany was forced to restore complete independence to the Polish people, and reconstitute a free and independent "Czechia". Germany must furthermore cease to be a continuing menace to the political and economic security of the other smaller nations of Europe.

He continued by stating that Lord Halifax had given me the full details of his own efforts to maintain peace by making every possible concession to Germany during the past two years. He had been deceived. He had been lied to. It was clear that Hitler did not desire a peaceful Europe founded upon a structure of justice and reason, but a Europe dominated by German Hitlerism. England had been forced into war as the last resort in order to preserve the institutions of liberty and of democracy which were threatened with extinction.

Mr. Chamberlain said flatly that so long as the present Government of Germany continued there could be no hope of any real peace. You could not envisage a peace between the great powers of Europe, when no one anywhere in the world
world could have any faith in the word of the Government of one of those powers. Mr. Chamberlain by this time spoke with a white-hot anger. It was very apparent that this particular issue had a deeply personal response from his individual emotions.

After a further pause, he went on to speak of his experiences at the time of Munich. He said that no Government in England could continue to receive popular support if it entered into any negotiations with the Hitler régime.

He then said that from what Lord Halifax had told him of our talk he agreed with what he understood was my own feeling that the key to the problem of today was the question of disarmament. But he said "I do not believe you can achieve real disarmament until you can reestablish confidence. You cannot obtain confidence until the German people show that they wish a real peace by changing their present government."

I said to Mr. Chamberlain that if he would forgive my apparent levity, the issue he presented reminded me a good deal of the old conundrum as to which came first, the hen or the egg. He spoke of disarmament being impossible until confidence in Europe was reestablished. I for one could not begin to see how any nation could have real confidence until disarmament had actually in great part taken place, and at least until certain types of offensive armaments had been abolished, and particularly bombing airplanes. I could not help but feel that the problem of physical and national security must be solved before the atmosphere could become propitious for the growth of that very tender plant, confidence.

Mr. Chamberlain
Mr. Chamberlain and Lord Halifax both laughed. The former said that he was struck by what I said, and that he believed with me that the way to attack the disarmament problem, when the moment came was from the qualitative approach, rather than from the quantitative approach.

He then said "What exactly is your proposal?"

I replied that, as I had already made very clear, I had no proposal. I said I was merely exchanging views in order to try and get as clear a knowledge as I possibly could of his point of view and that of his Government. The main issue I thought was security. I could conceive of a situation where the great powers of Europe could agree upon a practical basis for actual and progressive disarmament. It would possibly have to envisage the control by some international commission, or commissions, of the actual destruction of agreed-upon categories of offensive armaments, and of the factories where they were manufactured, with full rights of inspection and determination. It might further perhaps include the constitution of a regional aviation police-force, divided, for reasons of practical expediency, into several units with bases in various of the smaller neutral European countries. All of this obviously implied limitation of sovereignty. I stated that this was a subject upon which I was not authorized to speak; upon which I had no expert knowledge, and upon which I consequently did not wish to dwell. And it was of course a problem which directly concerned the European powers, and in which the United States very definitely had no direct part to play. The general thoughts I had expressed were the result of conversations I had had during recent months with
with experts in this field, and they had come to my mind because of the Prime Minister's expressed belief that confidence must be restored before any approach could be made to disarmament. I said that I could not refrain from reminding him that between the years 1921 and 1932 there had apparently existed in Europe a very considerable measure of confidence. And yet in the field of practical disarmament not one concrete step had been taken. In the year 1933 President Roosevelt had made a very clear, and to my mind beneficial, proposal to all the nations of the world. Again nothing had come out of it. It might perhaps be that the minds of statesmen and of military experts might more readily find the solution of the problem today when civilization hung on the edge of the abyss, than they had been capable of doing during the years when no immediate crisis was in sight.

By this time it was 7:45 and I was to be Lord Halifax's guest at dinner at 8:30 as the latter reminded the Prime Minister.

Mr. Chamberlain said that he would like to think over our conversation and talk with me again. He asked if I would come back to see him at 6 p.m. on March 13, the evening I was to dine with him and the night before I was due to leave London.
LONDON, March 11, 1940.
LONDON, March 11, 1940.

I dined with Lord Halifax in his apartment at the Dorchester Hotel. He had to meet me the Marquess of Crewe, for half a century a prominent leader in the Liberal Party; Lord Snell, the leader of the Labor Party in the House of Lords; Anthony Eden, the Secretary of State for the Dominions; Oliver Stanley, Secretary of State for War; Sir John Anderson, Minister for Civilian Defense; Sir Dudley Pound, First Sea Lord, and Sir Alexander Cadogan, Permanent Under Secretary of the Foreign Office.

At dinner Lord Halifax asked me confidentially to remember always in my conversations with the Prime Minister that Mr. Chamberlain had undergone the most harrowing human experience of which a statesman could conceive as a result of the Munich episode, and that as a result his point of view was necessarily affected in all that related to British policy towards Germany, and in particular towards the members of the present German Government.

After dinner, to my amazement, Lord Halifax conducted a seminar. He placed me opposite to him in the drawing-room, and ranged all of his guests facing me. He said that he would call upon them all so that they might freely express to me their views of the present situation, and of the possibility of the reestablishment of peace in Europe.

Lord Crewe was the first to speak. He said that he thought I should realize that feeling in England today was far more bitter towards the German people than it had been at any time during the Great War. This remark threw a good deal of consternation into some of the other guests, and Lord Halifax hurriedly interrupted to say that he thought there might be some divergence of opinion on that point,
and what did Lord Crewe think about Austria. Lord Crewe then gave a very long and rambling account of how he and Count Adam Czartorynski had dined together in Paris in 1893, and of how the Count had told him that all of the Austrian Poles were more than satisfied to be under Austrian sovereignty. Lord Crewe reminded us that several Austrian Foreign Ministers had been Poles. His conclusion was that Austria should be reconstituted at the end of the war; that Bavaria and other portions of Southern Germany should be added to it, and that Poland, at least in part, should revert to Austrian jurisdiction.

The next to speak was Sir Dudley Pound, the First Sea Lord. His contribution was the assertion that the present war was the direct result of the erroneous military policy pursued by the Allies, and particularly by the United States, at the end of the Great War. He said that in 1918 the Allies should have occupied all of Germany, and, most important of all, should have razed Berlin to the ground. Now, he stated, the same mistake should not be committed again, and the present Allies should never permit themselves to be deflected from the proper course. At the conclusion of the present war, Berlin should be destroyed; Germany should be divided up into several small principalities, and the larger cities in these new entities should be occupied by British and French troops for a period of at least 50 years. That, he said will permit a new generation of Germans to come into existence before we try the experiment of letting Germany govern itself again.

Oliver Stanley then held the floor. He said he wished me to realize that the British people demanded that the German
German people be "taught a lesson". That could only be accomplished through a crushing military defeat imposed upon the German people, with the subsequent imposition of a peace which would make it impossible for the German people for a hundred years to have any illusion as to where the mastery in Europe lay.

The only remark I made during the evening was at this point. I asked whether Mr. Stanley felt that the defeat of Germany in 1918, and the terms of the peace then imposed had really "taught" the German people any lesson. I wondered whether an imposed peace could, by its very nature, teach any very lasting lesson. His reply was that the lesson of 1918, had hardly been a lesson at all; that Germany had not been devastated during the Great War, and that the German people had never directly suffered the effects of the war, as had the French and Belgians; and that the only kind of a lesson that would ever teach the Germans was the lesson of military might and domination on German territory.

Mr. Eden's singular - and only - addition to my information on this occasion was the very positive assertion that the real reason why Hitler had occupied Bohemia and Moravia in March, 1939, was because the authorities in Prague were still permitting foreign newspapers to be sold freely in Czechoslovak territory.

Lord Snell made a very sincere, and really moving, reference to why the Labor Party was supporting the Chamberlain cabinet in its war policy. He said that he and his colleagues in the Labor Party felt that if Hitlerism were to continue unchecked all of those human values in which they so earnestly believed - the liberty of conscience, of
speech, and of information - would inevitably be destroyed; that men and women would become no better than slaves, and that for that reason, deeply opposed as they were to war, and hard as they had fought to avert it, they were supporting a Government which they would necessarily oppose on all other issues.

As the party broke up Sir John Anderson, the Minister for Civilian Defense, who had not spoken all evening, took me by the arm, and said, "Please do not for one instant believe that most of us agree with the opinions you have heard expressed tonight. I can assure you we do not."
LONDON, March 12, 1940.
I called on Mr. Winston Churchill at the Admiralty at 5 P.M.

When I was shown into his office Mr. Churchill was sitting in front of the fire, smoking a 24-inch cigar, and drinking a whiskey and soda. It was quite obvious that he had consumed a good many whiskeys before I arrived.

As soon as the preliminary courtesies had been concluded, Mr. Churchill commenced an address which lasted exactly one hour and fifty minutes, and during which I was never given the opportunity to say a word. It constituted a cascade of oratory, brilliant and always effective, interlarded with considerable wit. It would have impressed me more had I not already read his book "Step by Step" (of which incidentally, he gave me an autographed copy before I left) and of which his address to me constituted a rehash.

The gist of Mr. Churchill's remarks was that he was sitting in the same office in which he had sat twenty-five years before, confronted by exactly the same situation. The reason for it was that British Governments during the past twenty years had refused to follow a realistic policy towards Germany. The objectives of the German people had not changed, and would not change. These were world supremacy and military conquest; objectives which endangered the security of the United States as much as they imperilled the safety of the British Empire. He had foreseen the present crisis; time and again he had pointed out to previous British Governments the dangers they were incurring, but he had not been
been listened to, and now the crisis once more was upon them. There could be no solution other than outright and complete defeat of Germany; the destruction of National Socialism, and the determination in the new Peace Treaty of dispositions which would control Germany's course in the future in such a way as to give Europe, and the World, peace and security for 100 years. Austria must be reconstituted, Poland and Czechoslovakia re-created, and Central Europe made free of German hegemony. Russia, to him, offered no real menace and no real problem.

At the conclusion of the address—in the course of which he became quite sober—Mr. Churchill showed me the charts he had upon his desk, which showed the amount of British merchant tonnage destroyed during the war, and the manner of destruction, whether by submarine, mine, warship or airplane. According to the figures he showed me, out of a claimed total of some 18,000,000 tons of British shipping of all classes, some 770,000 tons had been sunk. The greatest percentage of losses was due to mines. Of the 770,000 tons of losses since the war, 550,000 tons were offset by new construction since the outbreak of the war, and by captured German merchant ships. The net loss consequently was about 220,000 tons.

Mr. Churchill told me that the convoy system was now functioning perfectly, and that British daily exports and imports were precisely at the normal daily level. England was furthermore daily receiving the required 1,500,000 tons of supplies by sea.

Mr. Churchill said that the German magnetic mines had been completely defeated. His naval experts had found the
the way both to demagnetize shipping so that it would not attract the mines, and also to attract the mines to special magnets so that they could be destroyed. He told me that ships whose hulks had been constructed south of the equator did not attract the magnetic mines.

With regard to submarines, Mr. Churchill stated the Germans were only putting out one a week. The British and French had positively destroyed forty-three since the outbreak of the war. The new invention for the pursuit of submarines—which he compared to a pack of hounds pursuing a fox—had eliminated the danger of submarines, as in any sense a serious menace to England's ability to continue her provisioning, and her export trade.

Aviation he recognized as the chief danger. But he believed the British and French could meet the danger, and over a period of a few months prove that it was mastered.

Before I left Mr. Churchill took me to the other end of the building to see the War Maps Room. In this room, which he told me represented the compendium of work being carried on in thirty other offices, large scale maps show the precise location of every merchant ship of British registry throughout the world. Every half-hour the locations are changed to bring them up to date in accordance with the latest radio bulletins of position. Every convoy is shown, as well as the position of those vessels which are either too speedy or too slow to be subject to convoy. This War Maps Room is one of the most impressive things I have seen. It is a demonstration of
of extraordinary efficiency, and I assume one of the reasons why British shipping losses have not been more severe.

Mr. Churchill expressed his deep regret that the President himself could not see this room, since he knew how interested he would be in the systems of protection for shipping which had been devised.
LONDON, March 12, 1940.
LONDON, March 12, 1940.

I had at 10 a.m., at the Embassy, an hour's conversation with Major Clement Attlee and Mr. Arthur Greenwood, Leader and Deputy Leader of the Labor Party in the House of Commons. The former is a small and ineffective-looking man who, I was told, suffers continuously from wounds received in the last war. The latter is a facile talker who is generally believed would have obtained the leadership of his party had he not been such a heavy drinker. The Ambassador told me after the interview that Mr. Greenwood was "half seas over" during our talk. Perhaps unduly ingenuous, I did not myself notice it.

Both Major Attlee and Mr. Greenwood took very much the same line as had Lord Snell the evening before - the Labor Party was supporting British participation in the war solely because of the moral values which were at stake. The Labor Party was not divided on the issue of British participation in the war as it had been in 1914. Today only a small percentage of the Party opposed British entrance into the hostilities. If any way could be found, or any plan be devised, which would give the British people real security and the independent nations of Europe positive assurance that they could live their lives in peace, and not be subject to the constant threat of aggression, the Labor Party would wholeheartedly support such a plan. The Party was not opposed to peace through negotiation with any government of Germany provided the objectives named could be attained. The continuation of the present was for any length of time, or the commencement of a war of devastation, would bring into ruins many of the social gains for which the Labor Party had striven. It would postpone any hope of economic recovery, and
and any chance of improving living standard. But the leaders of the Party saw no way out except the defeat of Hitler.

I was impressed with the patent sincerity of Major Attlee. But he seemed utterly discouraged and pessimistic. He had no constructive suggestion to offer.
LONDON, March 12, 1940.
LONDON, March 12, 1940.

I had at the Embassy, at 11:30 a.m., an hour's conference with Sir Archibald Sinclair, leader of the Liberal Party in the House of Commons.

Sir Archibald, through his mother, is half American. His entire conversation was devoted to an analogy between the position taken by the North during the Civil War, and the position taken today with regard to Hitlerism by the British Government. He claimed that the Civil War had to be fought through to its bitter end, because the North could not afford to compromise on the two basic issues involved, Unity and Slavery, and any negotiation would necessarily have resulted in some form of compromise. Today any peace negotiation undertaken by the Allies with Germany would likewise result in compromise. There can be no compromise with Hitler. The British people have no aim of destruction of the German people. But Hitlerism must be eradicated, root and branch. This can only be accomplished through an allied victory. Thereafter the German people, if they set up a decent Government, can once more be treated as members of the family of nations.

Sir Archibald Sinclair was clearly sincere and very earnest in the exposition of his convictions.
LONDON, March 12, 1940.
LONDON, March 12, 1940.

I received at the Embassy, at 12, the visit of Mr. Bruce, the Australian High Commissioner.

Mr. Bruce said that he had come to let me know that the Dominion Governments held views with regard to an eventual peace settlement, and to the policy to be followed at that time with regard to Germany, which were widely divergent from the opinions held by the majority of the members of the British Government. He was providing me with a memorandum setting forth the views of his own Government in that regard. A copy of this memorandum is attached hereto.

Mr. Bruce asked me to convey his warmest regards to the President and to Secretary Hull.
THE PEACE SETTLEMENT.

WHICH IS THE MORE PRACTICAL - A CO-OPERATIVE OR AN ENFORCED PEACE SETTLEMENT?

THE TWO POINTS OF VIEW.

1. There is a large school of thought in France and a smaller but influential body of opinion in England which maintains that the only method of ensuring peace in Europe is for the victorious Allies to undertake to see that Germany shall be permanently deprived of all power for aggression.

On the other hand the main body of British opinion, and no doubt a considerable element of French thought, believe that once Germany has been induced or forced to turn away from aggressive ideas, a co-operative settlement is necessary based upon equality between the Allies and Germany.

For the purposes of this paper the exponents of the super-Versailles form of settlement will be called Group A and those who favour a co-operative settlement Group B.

The question to be discussed is not whether the aims of Group B are more ethical, or more morally desirable than the aims of Group A but which set of aims are the more practical. The question of practicability must be considered, not only in regard to the immediate settlement after the victorious Allies have granted Germany an armistice, but also in relation to the durability of the settlement and its effect upon the world.

2. Both Group A and B have many final objectives in common. They are agreed that the main purpose of our war aims is to save ourselves and Europe from the dominance of force; both equally desire to restore the rule of international law and the sanctity of freely negotiated international obligations, both want a restoration of Polish
Polish and Czech States; both want the final settlement to create sufficient confidence in its permanence to banish fears of new conflicts.

In the following paragraphs it will be the differences between the aims of the two groups that will be discussed and not their points of agreement. It will be taken for granted that both groups equally desire to see an Allied victory and the differences arise as to the purposes to which that victory should be put.

3. The forms of settlement sought in Group A are that, after a military victory, Germany should be completely disarmed and that her future should be determined by the victorious Allies. Many exponents of this point of view believe that after the separation of a new Poland and Czecho-slovakia from the present swollen Reich, Germany should be broken up into several independent areas. This school of thought tend to concentrate all its attention upon Europe and do not show any inclination to realise that the Allies may need to make certain concessions to assist towards a satisfactory world settlement.

THE MAINTENANCE OF ALLIED FORCES.

4. In essence Group A believes in a dictated peace and must therefore accept the view that the Allies would need to face the responsibility for policing Europe and maintaining the peace.

It is therefore an essential part of Group A policy for the Allies to maintain after the peace armaments large enough to ensure a predominance in Europe.

What would be the attitude of the Allied countries to such a policy?

In order to answer this question it is first necessary to consider what order of military commitment would be involved.

Some Group A adherents may maintain that once Germany has been defeated, the forces necessary to ensure Allied predominance would not be large and that the United Kingdom
Kingdom and France could easily undertake the responsibility.

Such an argument takes little account of Russia or of Italy and Japan, nor does it make allowance for the probable frictions in South Eastern Europe.

Russia - The emergence of Russia from an absorption of internal affairs into a markedly imperialistic country may prove to be a factor of the utmost moment. In the event of a German defeat or even of a prolonged military stalemate, there is considerable probability of a rapid spread of bolshevism in Germany. Not only is this the case but countries such as Hungary and Roumania with their numerical predominance of poverty-stricken peasants must be regarded as ripe for communism. After an Allied victory it might easily be the case that the frontiers of bolshevism would be advanced to the Elbe and might also include a great part of South Eastern Europe. If this enormous area was under the control of an aggressive Russia, the military responsibilities of the Allies would be vast imposing an intolerable burden on their peoples.

Italy - Group A methods of dealing with Italy are not known but it is certain that Italy must either be convinced that her interests lie in a co-operative world (Group B) or, alternatively, her imperial ambitions must be met at someone's expense.

Japan - The position of Japan is peculiarly difficult from the Group A standpoint. If Japan obtains a hegemony in the Far East, it can only be at the sacrifice of Allied and American interests, and in such circumstances her military would be a permanent menace. The provision of adequate outlets for Japanese enterprise in a peaceful world would require radical change in Allied commercial policy, a solution which can be contemplated by Group B but hardly by Group A.

Balkans - The restoration of the status quo of say 1931 (i.e. Europe as it was but with a disarmed or perhaps a dismembered Germany) would not solve any of the Balkan problems. It is to be assumed that Group A envisage an Anglo-French military combination strong enough to dictate peaceful settlements of Balkan troubles.

This might be practicable if Russia was indifferent or quiescent but with an active Russian policy the difficulties might be insuperable.

Germany - Perhaps the most serious obstacle to the fulfilment of Group A ideas in Germany herself, There have been two periods in the last 150 years when Germany has been prostrate after military defeat. After Jena the repressive actions of the French led to a remarkable movement towards German Unity and the resurgence
resurgence of Prussia as one of the principal powers concerned to secure the downfall of Napoleon. After 1919 the attempts of the French to create a separatist movement in the Rhineland, and the French occupation of the Ruhr immensely strengthened German unity.

Today in spite of the hatred felt for the Nazis in many German homes, Hitler's doctrines of German unity and political independence are deeply imbedded in the thoughts of most Germans.

It is possible that an eastward spread of bolshevism might lead to a spontaneous desire in the predominantly Catholic parts of Germany for separation from Prussia. It is also quite possible that Austria might freely elect for independence from the Reich but the one method that will assuredly result in the resurgence of extreme forms of German nationalism is for the Allies to impose divisions upon Germany or to deny to the German people complete equality and independent political choice.

The foregoing considerations indicate that if the Allies are to assume responsibility for the maintenance or security in Europe, Africa and Asia, they will need to maintain forces substantially larger than those which existed at the outbreak of the war.

It is therefore necessary to assess the reactions of the Allied countries to the maintenance of large armed forces.

France - There is probably a larger volume of support for Group A ideas in France than in the British Empire but even in France it is doubtful whether, after the war is over, the country as a whole will be prepared to shoulder the burden of large armaments in order to maintain a repressive policy. The present unity of France is due to Hitler. Once this danger is removed, the Left-Wing parties will reassert their demands for greater social justice, for enlarged social services and for a curtailment of the powers of finance, industry and the High Command.

The United Kingdom - In the United Kingdom itself after the war there is sure to arise a strong movement towards a magnanimous treatment of the defeated enemy and an invincible reluctance to tolerate large-scale military expenditure.

The Dominions - In the Dominions the idea of the acceptance of permanent military responsibility for policing Europe would encounter overwhelming opposition. So much is this the case that if the United Kingdom should adhere to Group A ideas, there would be a grave danger of a disruption of the British Commonwealth.
THE ECONOMIC PROBLEM.

5. Thus far political questions have alone been considered but the post-war settlement must be equally concerned with the economic position of victors, vanquished and neutrals. On the political side Group A proposes to secure a prostrate and divided Germany. Such a policy would immediately create economic difficulties of such dimensions as to require profound modification of Group A ideas at least on the economic side.

It must be assumed that both those who desire a punitive peace and those who believe in co-operative efforts will be agreed in desiring prosperity for the Allied countries and indeed for the world.

The experience of the last twenty years has demonstrated how interdependent the world economic system has become and how poverty and instability in one country undermines the economic position of others.

The world needs Germany both as a market and as a source of supplies. The following table shows the position held by Germany in world trade in 1913 and in 1929:

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In 1913 Germany was second only to the United Kingdom as a factor in international trade and in 1929 still held third place.

In industrial production Germany was second only to U.S.A. It is true that for the last six years German industries have been progressively oriented for war but with the return of peace German equipment, German
skill and German industriousness will require large external markets if the most serious unemployment is to be avoided. Such unemployment, apart from the suffering it would involve, would provide a veritable forcing bed for communism. Nothing would be more repellant to the advocates of Group A ideas than to see German abilities at the service of communism.

The dismemberment of the Reich would break up the integrated German economy. This would have such disastrous results that even the advocates of partition would be forced to the conclusion that at least a German economic and customs union would have to be reestablished.

Industrial Germany is the natural market for the bulk of the agricultural exports of South Eastern Europe and of a considerable portion of those from the Baltic and Scandinavia. The United Kingdom and France have in recent years experienced much embarrassment in attempting to provide markets for relatively small quantities of Roumanian, Bulgarian, Hungarian or Yugoslav products.

6. The impracticability of Group A ideas is that:

(i) They involve heavy and enduring military commitments for the United Kingdom and France which neither nation will permanently accept.

(ii) They make no provision for dealing with the Russian, Italian or Japanese problems, neither do they provide any solution for the Balkans.

(iii) They would inevitably lead to a resurgence of extreme German nationalism and hence would probably lead to another disastrous war.

(iv) They would render economic difficulties more acute and thus foster a spread of communism - an outcome which Group A, in particular, desires to avoid.

(v) From the United Kingdom standpoint the Group A ideas are particularly unsuitable since they would almost certainly lead to a major dispute with the Dominions and to friction with, and estrangement from, U.S.A.

(vi) From a Dominion standpoint the consequences apart from those in (v) would be extremely serious. Group A policies would almost certainly mean the continuance of restrictions on trade. To the Dominions with their partially developed resources
an expanding world demand is even more important than it is to U.S.A.

7. Group B believes, firstly, that on both political and economic grounds the dismemberment of Germany is impracticable and that (apart from a possible voluntary movement in Austria for independence), it will be necessary for Germany to remain united.

Secondly, Group B is convinced that world peace cannot be permanently maintained by the predominance of the armed forces of the Allies but rather that world cooperation will be essential.

In the following paragraphs the practicability of Group B objectives will be examined.

INTERNATIONAL CONTROL OF ARMS.

8. Is general national disarmament practical? There will be general agreement that the burden of competitive armaments is too heavy to be borne and that its effects upon political relations is highly dangerous.

There are three methods by which these dangers might be overcome and the burden of armaments reduced:

(i) a limitation of armaments.

(ii) a reduction of armaments.

(iii) the abolition of national armaments and the creation of international police forces.

Which of these methods can be regarded as the more practical?

The question of disarmaments is based on the assumption that Germany having been conquered was disarmed. It would then be necessary to consider how far a limitation or reduction of armaments can be brought about between the other nations. On first examination it would appear that Germany being disarmed, Britain and France could reduce the burden of their armaments. This, however, would immediately raise
raise the question of how far Russia, Japan, Italy and the Danube and Balkan countries would be prepared to cooperate. An examination of the probabilities in respect of these countries is not very promising.

The consideration of the position of Russia suggests that it is extremely unlikely that the Soviet would be prepared to agree. The case of Japan is more doubtful as considerable pressure could be put upon her, possibly in association with the United States of America, once Britain and France were freed from the obligations which at present fetter their actions in the Far East. Japan's agreement, however, could only be obtained if she were relieved from the menace of Russia and the position in the Far East had been sorted out in such a way as to afford to Japan a reasonable opportunity to live and provide for her growing population.

With the overwhelming strength that France and the United Kingdom would possess at the end of a victorious war, Italy could probably be forced to agree but the measure of pressure that could reasonably be applied to Italy would be dependent upon what it had been possible to do with Russia. The Danube and Balkan countries would present a considerable problem which it would obviously be impossible to solve with a strong and aggressive Russia intervening in these areas. In any event a disarmament agreement in these countries could only follow upon the settlement of many difficult territorial and racial questions.

Assuming, however, that these difficult political problems could be resolved and agreement obtained among the nations to another disarmament conference, it is necessary to consider the problems that would have to be faced
faced when such a Conference was held.

The experience of the Disarmament Conference forces the realisation of how great are the difficulties in attempting to find bases upon which a reduction or limitation of national Armies, Navies and Air Forces can be brought about.

Even if a temporary basis for adjustment could be found how far could we rely upon nations observing their undertakings and in the event of their not doing so, how would it be contemplated they should be forced to honour their obligations. The idea of sanctions, either economic or military, must be discarded in the light of the experience with regard to the provisions of the Covenant of the League of Nations.

In considering this question internal politics cannot be ignored. Is it not inevitable that in individual countries political parties would spring up maintaining that the rights of the country had been sacrificed by the Government and demanding a reconsideration of the Disarmament Agreement.

An even greater danger is that unless present indications are wholly misleading, we shall encounter, after the war, in the more advanced countries, as in 1922-1930, a strong pacifist movement. Democratic Governments will probably be affected and will reduce armaments below the safety level. In less advanced countries pacifist pressure will be resisted and once again we shall find the advanced Democracies in a position of relative weakness.

These
These considerations all indicate that it is more practical to seek the abolition of national armaments and the substitution of international police forces than to attempt the almost impossible task of finding workable bases for limitation or reduction. In actual fact many adherents of Group A accept the idea of the abolition of national air forces and believe in the creation of international air forces.

Proposals along these lines have received a considerable measure of support even from quarters that will not yet listen to suggestions for the internationalization of land and sea forces.

If, however, armies and navies remained on a national basis, all the difficulties indicated above would still bar the way to agreement for the limitation or reduction of these forms of armaments.

If no reduction of armies and navies can be brought about, the nations will still have to bear the financial and economic burdens involved in competing armaments. This burden would prevent the economic and social reconstruction which is so vital to the whole of mankind.

International forces could be organized either upon a regional or a world basis. The discussion of which of these methods would be the more practical is reserved for a further paper.

A SOCIAL AND ECONOMIC SETTLEMENT

9. Group B considers that the post-war economic situation will demand fundamental changes in outlook if world revolution is to be avoided.

At the end of the war of 1914-18 there was a marked growth of the demand from the lower social classes for a more equitable share of national incomes.
In the United Kingdom this demand led to great increases in national expenditure on social services, a process which cannot be reversed. War time experience will bring home to the general public the urgent need for improvements in the conditions under which a considerable proportion of the working classes live.

In France the movement occurred later but led to the establishment of the Popular Front and to a perilously divided country.

In the U.S.A. the popular movement was the result of the great depression and led to the New Deal and to the policies in favour of the "forgotten man" initiated by President Roosevelt.

The Nazi threat has temporarily overshadowed class differences in both the United Kingdom and in France, but if recent history is any guide, there will be an intensification of the demand for greater social equity once the war is over.

So far as Central and Eastern European countries are concerned, the danger of the spread of communism can only be met by ensuring greater prosperity and a more equitable sharing of its fruit.

The economic situation in the United Kingdom, France, Germany and indeed in the Dominions and even in U.S.A. will be dominated by the need to change over from war time production.

If widespread unemployment and a business recession of the deepest gravity is to be avoided, then large scale plans for peace time activities will be needed. This will mean rehousing on a heroic scale and deliberate policies to raise the standards of living of the poorer classes.

Probably the greatest contribution to world recovery will be through a freeing of the channels of international trade from the many additional barriers created during the last twelve years.

Although the policies of Mr. Cordell Hull have commanded the widest attention and achieved some measure of success, it remains true that in most countries the pressure of sectional interests has rendered almost nugatory all efforts in this direction.

If
If progress is to be made Governments will need to pay far more attention to the interests of consumers and to harden their hearts against group pressure.

It is difficult for any individual Government to take this necessary line but its task would be rendered much easier if instead of attempting to act alone, the policies it desired to pursue were seen to be part of a great international movement for increased prosperity based on freer trade.

It is part of the general idea of Group B that plans should immediately be formulated for international economic co-operation on a scale never previously envisaged. These plans which should form part of the peace settlement would include, inter-alia:-

(1) Agreement between the nations for a concerted and co-ordinated attack upon the problems of poverty in order to secure a progressive rise in living standards (nutrition, housing, clothing, etc.)

(ii) International solutions of commodity problems (such as the world wheat problem).

(iii) International agreement on the reduction of trade barriers.

(iv) International agreement on monetary and financial policy and systems of assistance from the creditor nations in the solution of the financial difficulties of other nations.

COLONIES.

10. The question of Colonies will have to be dealt with in the peace settlement.

For historical reasons a limited number of countries have colonial possessions. This fact is a cause of misgivings to other nations. It is probable that the advantages to be gained from colonial possessions are exaggerated but the reservation of rights of trading, or preferential arrangements for trade with colonies has proved a source of international difficulties.

If Italy and Japan are to be reconciled to a peaceful world from which threats of aggression have been banished, then the Colonial powers will need to acquiesce in
in some pooling of the opportunities provided in their non-self-governing territories.

For these reasons Group B advocate that the peace settlement should include a world agreement on the whole problem of non-self-governing peoples based on the 'open door' and a progressive internationalisation of responsibility for the welfare of all such peoples.

Methods of dealing with these questions will be more fully discussed in a later memorandum.

CONCLUSION.

11. An attempt has now been made briefly to discuss the general aims of Group A and Group B opinion and to compare the practicability of these objectives.

The conclusion reached is that an impartial examination of all the facts that will have to be faced shows that the views of Group B are likely to prove much more practical than those of Group A.

After the war an insistent demand will arise for security and this cannot be found through attempts to maintain the military predominance of the Allies. There will also be an equally vigorous demand for social justice and for standards of living more in harmony with the wealth made potentially available through the developments of science.

If the legitimate desires of the peoples are to be met, it is necessary to secure international agreements, covering both the political and economic planes. This will involve the elaboration of new methods of international co-operation and new conceptions of the limitations of national sovereignty. The opportunity will arise at the conclusion of the war but unless immediate steps are taken to examine the problems and
propose solutions, it is more than probable that the opportunity will be missed.
THE PEACE SETTLEMENT.

METHODS FOR SECURING A CO-OPERATIVE PEACE.

In an earlier memorandum the practicability of what were there described as Group A or Group B ideas was discussed. The conclusion reached being that, if regard is paid to the whole of the facts, a co-operative peace, in which an un-nazified Germany is treated as an equal, is more practical than the dictated peace sought for by Group A whose conclusions are derived from a study of a part only of the facts of the whole situation.

If the peace settlement is to result in a permanent and co-operative peace, there can be no doubt that the nations will have to be prepared for radical changes in their conceptions of national sovereignty. Such changes will encounter opposition not only from the forces of reaction but also from the natural conservatism of mankind. Hence it will be wise to propose as small a measure of change as is compatible with the achievement of our objective.

(1) Security. The achievement of security for all nations from the possibility of having to meet threats of dominance by force or the actual use of force is the essential international problem. If this great objective can be attained the beneficial consequences would be incalculable.

(ii) Economic factors. A sense of national economic frustration, the grinding sense of national poverty, the evidence of the contrasts between the 'Have' and the 'Have-not' nations are factors that have contributed to international friction and have disturbed world peace. If to these is added the demand of the poorer classes for a more equitable share of national wealth, it is clear that economic and social readjustments are essential to world peace.
SECURITY AND OTHER POLITICAL FACTORS.

The principal war aim of the Allies is to achieve security for themselves, for other nations in Europe, and in fact, for the world. It is equally essential that the peace settlement should be of such a nature as to make security a permanent inheritance of all nations.

Security must depend upon the effective control of armaments, respect for international law, equitable methods for settling territorial questions, and other disputes, the safeguarding of the interests of minorities and in the final resort to the existence of sufficient force to discourage or rapidly to prevent any aggressive intention.

What is the most practical method of attaining these objectives?

In the earlier memorandum it has been shown that the imposition of the will of the victorious Allies could never succeed, over a long period, in maintaining an enforced reign of law in Europe.

From 1919-1935 an attempt was made through the Covenant of the League of Nations to secure these objectives by the co-operative action of States which, while members of the League, still retained in full a 19th century conception of Sovereign rights.

No useful purpose would be served by a description of the failures of the political side of the League of Nations and an attempt to interpret the lessons to be derived from these failures is a task far beyond the scope of these papers.

In the light of the experience of 1919-1935 there are no grounds for believing that a League of States, each jealously safeguarding her sovereign rights, among whom preparedness for defence varies from country to country
country, each with differing short term interests and political alignments, will be able to put into effective practice the system of collective security attempted by the League.

The difficulties of a limitation of armaments among nations retaining the national right to arm has already been discussed. Nevertheless the control of armaments must be the starting point in any permanent measures for international security.

The case for the abolition of national armaments has been stated. Given the acceptance of this principle and the creation of an international police force or forces, the difficulties of bringing into being international machinery for dealing effectively with political problems would become far less onerous. It is indeed possible that under such circumstances a world political organization could be set up. Such a proposal would, however, encounter considerable opposition not only in U.S.A. but also in the Dominions. It is also doubtful whether a world wide organization would deal as effectively with the problems of Europe, or the Pacific or Central America as a more limited arrangement under which the nations most directly concerned undertook responsibility for the maintenance of regional security and the settlement of regional difficulties.

In certain influential quarters the idea of a United States of Europe is being advocated as a development of the regional idea. Such proposals take differing forms. Among its advocates, it is common ground that a European council should settle European affairs and maintain European security. Many advocate that the colonies of European nations should be administered by the European council. Full blooded European federalists propose a European Parliament. It is neither necessary to dismiss the idea of such a federation as impossible nor on the other hand to regard so ambitious an idea as being essential to world security. From the standpoint of the British Commonwealth the idea of a European Federation has many
difficulties of which the greatest is that it might involve the United Kingdom in increased European responsibilities with results which would seriously affect the relationship of the United Kingdom to the Dominions.

REGIONAL SECURITY.

Under all these circumstances it would appear that the minimum form of political co-operation needed for the essential political objectives of the peace settlement, would be secured through the creation of Regional Pacts.

There might at the outset be four regions: (i) Europe, including the Mediterranean; (ii) The two Americas; (iii) U.S.S.R; (iv) A Pacific Regional Pact.

At a later stage it might prove desirable to see a fifth region constituted consisting of the countries of the Near and Middle East but this development will probably follow the achievement by India of full Dominion status and India having gained some years of experience in complete self-government.

The basis of regional co-operation would be complete national disarmament (save for closely defined and lightly armed police forces), and the assumption by the whole region of responsibility for security against external attack and the outlawry of war within the region.

In each area a regional council would be established consisting of representatives of each national State within the region.

This Council would be responsible for supervising national disarmament and the suppression of national production of armaments; for inspection of factories to prevent clandestine re-armament; for the recruitment and maintenance of a regional force, consisting mainly of an air force and probably a navy with conceivably, so far as Europe is concerned, a highly mobile mechanized land force.

The Council would also undertake within its own region all the political functions ascribed under the Covenant
Covenant to the Council of the League.

It would act as a conciliator in disputes, protect minorities, arrange for such minor territorial adjustments as had not been decided in the peace settlement itself.

The elimination of national armaments would bring about a great increase in security but nevertheless it would be necessary to provide machinery whereby the Council would, should the need ever arise, use its regional armed forces to compel a recalcitrant member to abandon any aggressive intention.

In the event of the region being externally menaced, the standing regional armed forces would constitute the first line of defence.

It will be clear that the region which might require the largest armed forces would be Europe, first, in order to provide a sufficient sense of security to nations which had accepted national disarmament and, secondly, because for some time to come there might be some mistrust of the intentions of the neighbouring totalitarian region of Russia.

Certain countries would need to become members of and to accept the obligations of membership in more than one regional pact.

The United Kingdom must be a member of the European region. This is essential not only for geographical reasons but also because even under the most peaceful conditions she would be needed as a counterpoise to the energy and influence of Germany and France. The United Kingdom, however, must retain her position in the British Commonwealth of Nations. She must therefore accept the responsibilities of membership in the Pacific region and should a fifth region be constituted, in the Near and Middle Eastern region.

The U.S.A. is now a member of what is almost in practice a regional pact, namely the two Americas. If full world security is to be realized, it is of the utmost importance that the United States should also join in the responsibility for peace in the Pacific region.

For France Europe and the Mediterranean are all important but it is possible that she would also elect to bear the responsibilities of Pacific membership.

Holland, on a lesser scale, might also find that her eastern interests required her membership of two groups.

Canada
Canada in the same way might feel that she required to be associated both with the Two Americas and with the Pacific regions.

The U.S.S.R. might desire membership in the Pacific region.

**WORLD RESPONSIBILITIES.**

In the preceding section the minimum political responsibilities of regional pacts have been discussed. If a satisfactory peace settlement is to be achieved, how far is it necessary to envisage world responsibilities on the economic and social side?

For reasons which have already been indicated, it is felt that the politico-economic questions of Colonies should be dealt with on a world basis.

Since trade is essentially international, and the repercussions of finance even more markedly so, there seems no doubt that these subject also must be dealt with on a world basis.

So far as social questions are concerned, there are many reasons for preferring international to regional supervision.

Epidemics, for instance, do not recognise political frontiers, and low standards of living in one group of countries may have important effects on others.

Above all the solution of world economic and social problems requires the collaboration of all able persons of goodwill in every country and in particular the cooperation of the U.S.A. There is probably more disinterested goodwill towards international problems in the United States than in any other country.

The service rendered to mankind by American organizations, such as the Rockefeller Foundation, provide one great example.

The foregoing considerations indicate that whereas
whereas political problems may be best dealt with on a regional basis, there is need for a world organization to secure international action on economic and social affairs, including the problems of the non-self-governing territories.

Non-self-governing territories.

The supervision of a progressive internationalization of the position of Colonies, Protectorates and Mandates.

The progress of internationalization might take the following form:

The existing Colonial powers might agree either, in the case of colonies already far advanced towards self-government to grant complete fiscal autonomy and thereafter to expedite the progress towards self-government, or, in the case of less advanced colonies, might agree

(i) immediately to institute an 'open door' regime for trade and for economic opportunities, including contracts, in their colonies.

(ii) that a commission, established by the World Organization, should supervise the "openness of the door";

(iii) undertake to treat such colonies and protectorates as mandates and submit reports to the proposed commission;

(iv) accept the principle that the World Organization should through its commission undertake a progressively increasing degree of responsibility for the government of non-self-governing territories.

The effect of such a policy would be immediately to secure to all countries equality of economic opportunities in non-self-governing territories.

It would also assure to all nations that the responsibilities to be borne on behalf of, and benefits to be derived from, the non-self-governing territories should become
become, within a reasonable period, international.

Under such a policy, the possession of colonies would cease to have any importance from the standpoint of strategy, prestige or economics. In the long run the qualifications for administrative or technical posts in the colonies would depend not upon nationality but on ability.

ECONOMIC RE-ORGANIZATION.

There is little doubt that the real or imagined national poverty of the "Have-not" countries in relation to the wealth of the "Have" nations lies at the basis of the rise of totalitarian regimes and explains, at least in part, the aggressions of Japan and Italy.

It is also clear that before the series of European political crises deflected men's minds from internal affairs, there was arising an insistent and even menacing demand from the poorer classes for a more equitable share in national wealth (c.f. the Front populaire in France, the "New Deal" in the U.S.A.).

If world security is to be achieved the peace settlement should make provision for dealing with both these sets of grievances.

So far as the grievances of the poorer countries are concerned, the suggested provision for settling the "Colonial" problem would go some distance towards eradicating the cause of complaint. To this, however, would need to be added arrangements whereby the creditor nations (themselves largely relieved from heavy expenditure on armaments) should assist the other nations to reorganize their finances and to develop their resources.

The peace settlement should also be made the starting point of an internationally concerted attack upon the problems of poverty within each country.

HEALTH
HEALTH QUESTIONS.

So far as the control of epidemics are concerned the essential part to be played by international action is already clearly recognised. There is also a growing realisation of the value of international discussion and collaboration in the whole field of preventive medicine.

The prevention of disease and the securing of positive health is a subject which cannot be dealt with from the medical standpoint alone. This has been conclusively demonstrated by the League's work on Nutrition, where experts on health, economics and agriculture, have collaborated in a most fruitful way.

SOCIAL QUESTIONS.

Here there is also general recognition of the need for international discussions and for conventions in order to ensure that the world movement towards greater social equity, the protection of the weak, the suppression of anti-social activities shall not be too greatly retarded by the failure of some countries to take action in these directions. The virility of the International Labour Office in comparison with the political side of the League of Nations is clear evidence that no difficulties are likely to be encountered in arrangements for international action on social questions.

THE IMMEDIATE TASK ON THE ECONOMIC AND SOCIAL SIDE.

It is impossible to attempt to enumerate in detail the many economic and social questions which will need to be considered from an international standpoint since changing circumstances will constantly create new problems.

It is more feasible to indicate some of the questions that require immediate consideration if the peace settlement is to be constructive.

There is need for inter-governmental discussions and for the formulation of proposals on subjects which can be classified under four main heads:

A. GREATER ECONOMIC EQUALITY BETWEEN NATIONS.

Under this heading the following subjects would arise:

(i) Colonies.
(ii) Raw materials
(iii) Demographic questions
(iv) Trade
(iv) Trade barriers.
(v) Methods of trade discrimination.
(vi) Capital requirements of nations.
(vii) Assistance from creditor to debtor nations in the development of economic resources.

B. GREATER SOCIAL EQUALITY.

Among the many issues involved, the following require inter-governmental discussion:

(i) Standards of living, including nutrition problems.
(ii) Health questions.
(iii) Labour questions.
(iv) Social protection.

C. OTHER GENERAL ECONOMIC AND SOCIAL PROBLEMS.

(i) Financial stability.
(ii) Commodity problems (such as wheat, cotton, rubber, tin, etc.)
(iii) Transport problems.
(iv) Trade cycle policy.

D. SPECIAL POST WAR PROBLEMS, including

(i) The supply of food to belligerent and some neutral countries.
(ii) Restoration of the ravages of war.
(iii) Demobilization problems.
(iv) Employment problems resulting from the general demobilization of national armament industries.

THE INTERNATIONAL MACHINERY.

In the foregoing paragraphs two stages for dealing with economic and social questions have been discussed. It has been proposed that the peace settlement should create a World Organization for Economic and Social steps which should be taken to initiate inter-governmental discussions on these aspects of the peace settlement.

For
For both these purposes some international machinery will be required.

Since the 20th Assembly of the League of Nations has determined upon a separation of the economic and social activities of the League from its political functions, it is possible that the new Central Committee of the League on Economic and Social questions, together with the International Labour Office, should be utilized. This would provide a trained international personnel which could carry out the secretarial duties required if the proposal for early inter-governmental discussions should take effect.

The question of whether if, at the Peace settlement, the League is divorced from its political functions and becomes wholly concerned with economic and social questions, it would, together with the International Labour Office be found the suitable body to become the World Organization envisaged in the previous paragraphs is a question which can well be left until the Peace settlement discussions actually take place.

In a world in which political responsibilities were carried by Regional Councils it is possible that nations at present not members of the League might find no difficulties in adhering to the Geneva institutions.
LONDON, March 12, 1940.

At one o'clock I lunched with Sir John Simon at
11 Downing Street.

The other guests were Lord Hankey, Lord Chatfield,
Minister of Coordination, Sir Kingsley Wood, Minister for
Air, Sir Andrew Duncan, President of the Board of Trade,
Sir Horace Wilson and Sir Robert Vansittart.

Sir John Simon discussed with me nothing beyond his
own success in floating the first War Loan, which had been
oversubscribed that same day. He expressed the opinion
that his policy of issuing repeated War Loans in rela-
tively small amounts, was the only sane financial policy
to pursue, inasmuch as it would avoid in the future the
need to refinance, or to pay off, staggering sums at any
one given moment. Unlike his French colleague, M. Paul
Reynaud, he made no reference to the relations existing
between his own Department and the American Treasury
Department.

Sir Kingsley Wood, who is a small, chirping, man,
told me that British aviation production was coming
along amazingly well. His greatest difficulty lay in
finding enough physical space in England for the construc-
tion of airplane factories and trial airdromes. Now that
production was also under way in a large scale in Canada
and in Australia this handicap was largely overcome.

Sir Andrew Duncan, whose career up to recently had been
removed from politics, as a large industrialist, spoke of
the attitude of British labor. He expressed great satis-
faction with the loyal support given by labor in the prose-
cution of the war. He said that this support was far more
sincere
sincere and enthusiastic than in 1914-1918. He expressed great concern, however, with regard to the economic situation which would confront the United Kingdom if the war lasted for any considerable period. He hoped that some way might be found to achieve security and peace before the whole economy of Europe smashed. He expressed enthusiastic support for the liberal trade policies sponsored by Secretary Hull.

Lord Hankey, whom I had known before, told me Mr. Chamberlain had spoken with him of our talk the preceding evening. He said that I believed I would find I would receive some valuable information when I saw Mr. Chamberlain again the following day. I gathered that Lord Hankey and Sir Horace Wilson, who joined Lord Hankey and myself after lunch, were both striving to find some approach to the problem of security and disarmament which might offer some hope of preventing a protracted war of devastation.
LONDON, March 12, 1940.
LONDON, March 12, 1940.

I called on Mr. Eden at the Dominions Office at 4 p.m. Mr. Eden was as charming and agreeable as always. He spoke with great enthusiasm of his visit to the United States, and of his two days in Washington. He spoke also of the deep impression made upon him by the President, and of his admiration for the President's foreign policy.

Mr. Eden expressed the belief that there could never be any solution of the present situation save through an allied victory, the destruction of Hitlerism, and the forcing upon the German people of a Government which would pursue policies that would not constitute a threat to the rest of Europe. In reply to my inquiry, he had no idea of how such a Government should be kept in control in Germany. He did not believe that the peace terms, when imposed, should contain provisions for either an indemnity or for reparations. Those provisions in the Versailles Treaty, he thought, had been a serious blunder.

He saw no hope of any peace negotiations at this time. He had no belief that any disarmament move could be considered until after Germany had been crushed, and taught that "war does not pay".

In brief, Mr. Eden's conviction is that nothing but war is possible until Hitlerism has been overthrown.

Mr. Eden impressed me as even more superficial than he had impressed me as being in Washington. He seems to have given no thought to any alternative to war, nor to what any eventual peace terms should be.
LONDON, March 13, 1940.
LONDON, March 13, 1940

With the Ambassador I called upon Mr. Lloyd George at his apartment at 10:30 A.M.

I had not seen Mr. Lloyd George for 17 years, but he has changed very little in the intervening period, although he has now reached the age of 77 years. He is alert, mentally very keen, and minutely familiar with every detail of both British domestic affairs and British Foreign Relations. The only sign of his increasing years is shown by his tendency to talk of earlier years, and his extreme loquacity.

I was with him for nearly two hours.

Mr. Lloyd George immediately referred to the present war as the most unnecessary war, the most insanely stupid war, that had ever been forced upon England. He referred to Mr. Chamberlain as a "third-rate incompetent", whom he himself, when Prime Minister in 1916, had tried out as Director General of National Service, and had been forced to dismiss for sheer incapacity after a try-out of six months.

He said that Great Britain had blundered into this war because of the egregious mistakes in policy of her recent Governments. He stated that there was no reason, from the standpoint of either Great Britain or France, why Germany should not unite under one Government the Germanic peoples of Central Europe, or why Germany should not obtain and enjoy a special economic position in Central Europe, and, at least in part, in Southeastern Europe. If the German people were thus granted the recognition of their racial unity and of their economic security, such
problems as disarmament, a possible European regional federation, and colonies, would automatically settle themselves. What was the key to the problem was the need to convince the German people that they had an equality of opportunity with the other great nations, that justice had been done them, and that they could look ahead with "confident hope" to the future. The policy of Great Britain and of France during the past years had achieved exactly the reverse.

Forgetting, apparently, his own direct responsibility for the terms of the Versailles Treaty, Mr. Lloyd George inveighed bitterly against the terms which had to do with German frontiers. He referred to the separation of East Prussia from Greater Germany by the Polish Corridor as "damnable", and spoke of the arrangement covering the institution of the Free City of Danzig—which he referred to as a completely German city—as a "criminal farce".

He spoke with particular bitterness of French policy towards Germany since 1921. All in all, it was his opinion that no policy could have been more criminally stupid than that pursued by the present Allies towards Germany during recent years.

He felt that it was not too late to remedy the mistakes, and repair the irreparable disasters which would result from a long-drawn out war of attrition, or a war of devastation. The territorial and political questions should present no real obstacles; the economic postulates for a sane world commercial and financial relationship could be established with the aid of the United States; the problem of security could then be determined through disarmament.
disarmament and international control of armament. If the opportunity were offered the British people now for a peace built upon these terms, the overwhelming majority of them would enthusiastically support such a peace, and he himself would publicly support it up and down the length and breadth of the land.

"Do not believe them", he said, "when they tell you that the British people want this war. I know them, and I know they do not—they want security, and if they can obtain it on the terms I have mentioned, they will demand peace."

Mr. Lloyd George spent most of the time talking of the last war, and of his Prime Ministership. He spoke of President Wilson with respect, but with no particular enthusiasm, and of French statesmen with neither respect nor enthusiasm.

Mr. Lloyd George expressed the conviction that if peace were restored as the result of an understanding of the kind he had mentioned, between Great Britain, France, Germany and Italy, Russia would once more withdraw from active participation in Western European affairs, and afford no problem of any real gravity.
LONDON, March 13, 1940
Mr. James Maxton, leader in the House of Commons of a group of four dissident members of the Labor Party, called upon me at 3 p.m. at the Embassy.

Mr. Maxton is a sinister looking individual, with a gray face, very long hair falling about his shoulders, and the eyes and mouth of a fanatic.

The opinion of his group, he said, was that the present war was a criminal blunder. The negotiation of peace should be undertaken without delay, and the bases for such a negotiation should comprise complete disarmament, the establishment of an international police force, the complete pooling of colonial territories to the benefit of all peoples, and the abolition of customs barriers. Upon such a basis he believed territorial or political questions could readily be solved.

He expressed the earnest hope that President Roosevelt would lead a movement for peace. He saw no other possibility of averting a disastrous and fatal war of complete devastation.
LONDON, March 13, 1940

At six o'clock I called again, with the Ambassador, at 10 Downing Street upon Mr. Chamberlain. Lord Halifax was with him.

Mr. Chamberlain handed me a personal letter which he had addressed to the President, and which he asked me to give him.

Mr. Chamberlain said that he had been very much impressed by what I had said to him with regard to the ignorance of the German people of what was going on in the rest of the world, and of what the true peace objectives of the Allies really were; and of the apparent belief of Germany's rulers and of the probable feeling of the German people themselves that the life of the German Reich and of the German people themselves was at stake, and that the Germans were consequently fighting a war of self-preservation.

He said that he wished to make it definitely clear to me that he did not desire, as a war objective, either to destroy the German Reich or to subject the German people. He had discussed this issue at length with Lord Halifax. He realized fully that if a war of terrorism were now launched a spirit of hate and of vengeance would be engendered which would make it well-nigh impossible, when the Allies won, to lay the bases for a just and durable peace. He considered it in the highest degree important therefore that this policy of justice towards the German people should be laid down in such a manner that it could not be deviated from in the future. He and Lord Halifax felt that public speeches were not sufficient. They had reached the conclusion that there could be but
one satisfactory solution, and that was for him as Prime Minister to make a public communication to the President of the United States pledging Great Britain as having no designs upon the safety or welfare of the German people, nor of having any intention of destroying the German Reich. A commitment of this character he said would involve no obligations nor responsibilities upon the United States; it would be merely a unilateral declaration of policy by Great Britain. But since it would be made officially by the British Prime Minister to the President of the United States it would unquestionably have so binding an effect upon governments in England which might succeed his, as to make it impossible for them to deviate from the course he so charted. He believed that this public declaration, made by the British Government to the President of the United States, could not but be known throughout Germany within a short time, and would be regarded by the German people as a guarantee which would have a binding character. He asked me what my own opinion might be.

I replied that I would immediately upon my return to Washington communicate his suggestion to the President for his decision, and that I assumed the latter would wish to see the text of any suggested declaration before reaching any final opinion.

Mr. Chamberlain then said that he had thought a great deal, and had spoken with a few of his colleagues, since our last conversation. He did not believe that a miracle would occur, and that Germany would enter into any arrangement which would offer any real guarantee of security to the Allies, so long as Hitler or his group remained in control of Germany. However, if such a miracle did occur, and
and there seemed any practicable plan of security offered, he would not discard such an opportunity of striving for a real and lasting peace merely because the present Nazi regime remained in power.

But Hitler must give an "earnest" of his sincerity. Such an "earnest" might well be the evacuation of German-occupied Poland, and of Bohemia and Moravia. Mr. Chamberlain would not be in any sense intransigent with regard to the ultimate frontiers of Poland, nor with regard to the boundaries of a new Czech state. Slovakia was now divorced from "Czechia", and he saw no reason to change that situation. He believed it would make for a lasting peace to arrange for the inclusion of Danzig and of the really German minorities of the old Poland within the new German Reich. With regard to Austria he was prepared to accept the principle of self-determination through a free and impartial plebiscite. But the "earnest", in the form of military evacuation, pending final agreement, of German-occupied Poland and Bohemia-Moravia, he considered indispensable if any negotiations were to be undertaken with the Hitler regime. In no other way could he retain the support of British public opinion.

Under such conditions he saw no insuperable obstacle with regard to political and territorial problems as a basis for peace.

At this point Lord Halifax interjected to say that he thought a further indispensable basis for peace negotiations should be a prior agreement in principle upon "freedom of information", so that all peoples concerned would know from the moment peace talks were seriously commenced exactly what the true facts involved in the negotiations might be. To this Chamberlain agreed.

At the same time it should be understood that an agree-
ment should be sought, Mr. Chamberlain went on, for an economic international adjustment to meet the objectives he had mentioned in a recent address, and which were more fully outlined in the memorandum I had handed the French Minister of Finance.

With regard to the Colonial problem the British Government had it in mind to propose the creation of a broad colonial belt through Africa running roughly from northern Tanganyika on the East to the British Gold Coast Colony on the West and as far south as Rhodesia and the Union of South Africa, to be open to the emigration, trade and investment of all nations on the most-favored-nation basis. In this manner Germany could obtain all the raw materials she desired and provide for all the emigration she wished. There could under such a system be no further basis for the German complaint of discrimination in the colonial field.

The chief problem remained the question of security and disarmament, as well as the question of any international police force of a regional character. Mr. Chamberlain believed these problems could be solved, but he had not discovered the solution. He wondered if I realized how intimately involved in the whole problem of armament was the question of the manufacture of machine tools. A nation that had an ample number of factories manufacturing machine tools could arm far more rapidly than a nation which did not possess such factories. He felt there was an infinity of such contingent problems which would have to be solved before any workable plan for the control of disarmament could be devised. The question of any effective control of an international aviation police force was likewise a very knotty problem to resolve.
He hoped that no public suggestion of any peace steps would be made until these difficulties had been fully threshed out. I said that I felt warranted in saying that no steps would be taken by my Government in any form unless the President believed that a practicable basis for a real and lasting peace had been found. It did not seem to me possible that it could be thought that such a basis existed, unless the Governments most directly concerned agreed that such a basis existed.

Mr. Chamberlain then spoke of the Finnish situation and of his inability to find any way to persuade Sweden to permit the passage of British and French troops or supplies through Sweden. He feared Finland was doomed to at least a part of the fate suffered by Czechoslovakia.

He spoke with appreciation of the efforts of Mussolini to bring about a reasonable understanding at Munich, and with equal appreciation of the attempt of both Mussolini and Ciano to prevent Hitler from invading Poland last August. He was determined to do everything possible to prevent friction and misunderstanding between Italy and Great Britain, and it was for that reason that he had prevented a crisis from arising a few days before with regard to the stoppage by the British Blockade authorities of Italian colliers laden with coal from Germany destined for Italian consumption. He believed that England could arrange to let Italy have 4000,000 tons of British coal yearly which Italy could arrange to pay for.

At this point the conference ended since it was half past seven and Mr. Chamberlain had invited me to dine with him at 8:30.
LONDON, March 13, 1940.
LONDON, March 13, 1940.

I dined with Mr. Chamberlain at 10 Downing Street. The Ambassador and Pierrepont Moffat went with me. The other guests were Sir Samuel Hoare, Home Secretary, Mr. Winston Churchill, Lord Newell, Major Clement Attlee, Sir Archibald Sinclair, and Mr. R. A. Butler, Parliamentary Undersecretary of the Foreign Office, understood to be Mr. Chamberlain's particular protégé.

I sat between Mr. Chamberlain and Mr. Churchill. I spoke with the latter about the security zone about the American Republics, and of my regret that the British Government had not adopted the wise course of agreeing to it in principle, with whatever reservations they considered indispensable, provided Germany likewise agreed to respect the Zone. Mr. Churchill said he agreed; that he had not known of his Government's reply, and that there were "too damned many lawyers in the Foreign Office". I said to Mr. Chamberlain and to Mr. Churchill that I believed they would find that the American Republics were becoming more and more determined that the Zone was here to stay, and I hoped that a way could be found to prevent any misunderstandings with regard thereto.

Mr. Chamberlain was a particularly agreeable host. We talked of his frequent visits to the Endicott family at Danvers, Massachusetts, whom I had also often visited; of his interest in forestry, and of his efforts to rejuvenate the official residence of the Prime Minister at Chequers. He was greatly pleased when I told him of my great admiration as a young man for his father. He spoke to me with deep emotion of the latter.

After
After dinner I talked, at Mr. Chamberlain's particular request, with Sir Samuel Hoare.

The latter gave me, in diluted form, the same views expressed to me that afternoon by the Prime Minister. He had nothing very significant, and nothing new, to say.

Before I left Mr. Chamberlain took me alone into the room where he keeps the souvenirs of his father. He wished me particularly to see an unfinished bust of Joseph Chamberlain which he told me was the only really good likeness ever done of him. As I was leaving he said, "I hope your mission will make it possible for the President to succeed in his desire to avert this calamity, and to help the world to save itself. Tell him he has all my admiration, and I shall hope to see you here again in happier days."

As I passed on my way downstairs through the drawing-rooms hung with the portraits of the famous Prime Ministers, from William Pitt and Walpole down to Lord Salisbury, I noticed that the only photograph in the rooms was a photograph of Mussolini.
PARIS, March 14, 1940.
Paris, March 14, 1940.

M. Paul Reynaud, the French Secretary of the Treasury, came to see me at my hotel, and spent an hour with me prior to my taking my train to Rome.

The Minister had come from the Senate, where the debate was in progress upon the failure of the French Government to render effective military aid to Finland. He said that he feared the French Parliament would not regard the Government's case as very strong. He said, however, that he and M. Daladier were working closely together.

He asked me what my impressions of the attitude of the British Government might be with regard to a peace possibility. I replied that I had found the British Government as moderate and as constructive in its point of view as I had found him in our talk five days before. It seemed clearer than ever to me, I added, that the great key problem today was security and disarmament.

If, I said, any Government now engaged in war refused to negotiate on that basis, there seemed to me to be no hope of there being any possibility of the establishment of any lasting peace.

The Minister said that he had thought much of this question since we had last spoken. Winston Churchill had paid him a midnight visit two nights before. Mr. Churchill's point of view was utterly intransigent. M. Reynaud felt that while Mr. Churchill was a brilliant and most entertaining man, with great capacity for organization, his mind had lost its elasticity. He felt that Mr. Churchill could conceive of no possibility other than war to the finish—whether that resulted in utter chaos
and destruction or not. That he felt sure was not true statesmanship.

The Minister twice repeated his conviction that the possibility of negotiation on the basis of security and disarmament should not be discarded. But what is required above all else he said, is "Daring statesmanship".
ROME, March 16, 1940.
ROME, March 16, 1940.

The King received me this morning at nine o'clock. The Ambassador accompanied me, but, in view of the King's expressed desire to talk to me alone, the Ambassador joined us only just before my departure.

The King greeted me very cordially. I noticed that his right arm trembled a good deal, and that he seemed to be somewhat nervous. In the course of our conversation he reminded me of the forty years that he had spent on the throne, and that he was now seventy years of age. He seems younger, and his eyes are bright and very searching. The conversation commenced with the usual inquiries about my trip, and the usual remark about how difficult it must be, physically, to undertake so rapid a voyage and to have to talk with so many varying kinds of people.

The King asked me for my general impressions. I told him that perhaps the most outstanding impression I had received was the fact that in every country I had visited the word I had heard most often, and the word which I believed had been uttered to me with most emotion and most sincerity, had been the word "security." I said that it seemed to me that what governments and peoples were demanding beyond everything else was a guarantee of their own security, and the assurance that the present crisis which Europe and, for that matter, the rest of the world in great part was now undergoing, should not take place again. I said that I often wondered whether there was any other period of twenty years in the history of the modern world when peoples had been offered so many opportunities to obtain a real peace and real security, and
and yet had so frequently thrown away the opportunities presented to gain their requirements.

The King said that of course the problem of security was the outstanding problem. If that problem could be solved, the world would be a very different place in which to live. Another great problem at the moment, he thought, was lack of comprehension, and misunderstanding on the part of the great powers, one of the other. He said that it seemed to him that the nations of Europe were starting to go down a great slide, and that every foot that they traversed would make their eventual fall more rapid.

At this juncture he spoke in the highest terms of President Roosevelt, of his vision, of his statesmanship, and of the efforts he had made to avert war. He said that, of course, his own position was a position without responsibility and without authority, but that he had done and would continue to do within those limitations what he could in conjunction with his own Government in order to further the reestablishment of peace.

He said that he knew that I had talked with Mussolini, of whom he spoke as a very great man. He said that, apart from Mussolini's remarkable memory, he had the great gift of grasping essentials and letting the non-essentials go by. He said that I was sure I had realized from my conversations with him, and from the conversations which I was still to have with him, that the desire of Mussolini was to do what was possible to bring about the reestablishment of a durable peace.

He then referred to the privileged position occupied by the United States, its freedom from the constant fear of
of neighbors, and said that the United States was in reality a completely secure continent and not a small part of a continent beset with jealousies and hatreds and rivalries, such as was Italy. The King spoke of the power of the United States to amalgamate the immigrants that came to its shores and that, consequently, it had never been and never would be the prey of the serious problems resulting in Europe from the rivalries of minorities under one jurisdiction. He said that the national homogeneity of the Italian people was, however, one blessing that Italy possessed, but that this was not a blessing possessed by many of the smaller powers in Europe.

I remarked to the King that when I left Rome I had been told that I would find great intransigence in London and Paris and less intransigence in Berlin. I said, however, that I had not found intransigence in France or England, but merely the determination, and a very cold determination, to fight to the finish until and unless those powers could obtain guarantees of security other than those merely written on paper, so that they would not again be confronted by a situation similar to that which now existed. I said that in Berlin I had been very much impressed by the conviction expressed to me by every member of the Government that the immediate, as well as the ultimate, objective of England and France was to destroy the German Reich, and to destroy the German people. I said that I was confident that that was not the case; that what the Allies did demand was the positive and practical guarantee that they themselves were not to suffer
suffer at recurrent intervals the threat of their own destruction. The King smiled and said that he was well aware that the Allies did not have these objectives in mind, and said, "In the first place, how could any one seriously think of annihilating over eighty millions of people?" He continued "You can hardly conceive of cutting off the heads of that number of men and women."

The King said that in some ways he believed the world had got better during the past centuries, but that the great difficulty in Europe was the fact that certain peoples had lived on war, and had repeatedly made war for century after century. For three hundred years the Italian people had refrained from participation in European wars of their own making. The German people, he said, on the other hand, had dedicated themselves almost exclusively to war and that unfortunately was now one of the major problems again to the fore in the present unhappy situation.

The King then brought up the subject of Russia. He said that in the old days before 1914 he had frequently visited Russia, and had known the interior of the country from the Baltic to the Caucasus. He had considered the Russian people then a collection of downtrodden, barely human masses, interlarded with a collection of thieves. He wondered whether the situation, in so far as Russia was concerned, had improved very much during recent years. He mentioned that he was given to understand that the present government of Stalin was very strong. He asked whether I believed that Russia should seriously be regarded as a great military power. He said Russia had not, in his judgment,
judgment, shown any signs of military strength in her recent attack upon Finland, and spoke with the deepest feeling of the fate of the Finnish people.

I replied to the King that in the judgment of the military authorities of my own government Russia would presumably be strong for defensive purposes, but that we had no evidence which would show that Russia would be strong in any offensive operation. He said that this coincided with his own views.

The King mentioned a conversation he had had some years ago with Mr. Motta, the then President of the Swiss Federal Council, in which Motta had expressed the belief that Communism was not a danger to the rest of Europe, since he regarded it as a tree which would grow tall and strong, but of which eventually the branches would fall off by their own weight. The King smiled and said that if this simile was accurate, the branches, when they did fall, at least fell off on other peoples' heads. I remarked that another difficulty was the fact that the roots of the tree spread out beyond the confines of the garden where it was planted.

It was very obvious that the King was deeply concerned with the possibility of a spread of Communism in Europe as a result of the German-Russian Alliance. He asked me if I knew of Communist propaganda in Germany, and I said that I had received reports that such propaganda was increasing, but that I had no conclusive knowledge thereof.

The King then came back to the question of security in Europe. He said he was afraid it was almost an insoluble problem to persuade the great powers of Europe
to destroy the armaments which they had built up. He wondered whether the first practical step might not be a binding agreement not to replace certain categories of offensive armaments when they became obsolete. I said I believed that the suggestion he made was one of very great practical importance, but that I wondered if it was possible to conceive a peaceful Europe, in which any real feeling of confidence existed, so long as existing armaments continued, and particularly the existing types of offensive bombing planes. I said I believed that it was aviation of the bombing type which was in great part responsible for the present situation on both sides of the Rhine.

The King then said that when he first came to the throne forty years ago he had possessed the belief that trained diplomats were a menace to the cause of peace, and that by undertaking international negotiations through other types of men, a more satisfactory result could be obtained. He said that he had reached the conclusion years ago that that early belief on his part was profoundly mistaken. He said that he had always felt that if President Wilson, Lloyd George and, for that matter, the Italian Government, had sent trained representatives, skilled in diplomatic negotiations, to the Conference at Paris, very much more satisfactory results would have been achieved. He spoke of the Italian problems arising out of the Versailles Treaty as being due entirely to the fact that the Chiefs of Government assembled in Paris had sent unqualified men to Italy, and to the lands bordering upon the Adriatic, in order to make authoritative surveys of
of the problems of the minorities in those regions and of the economic problems attendant thereon. He said: "How can you expect a professor who has never before visited Istria to render an intelligent report, after a survey of only two days, upon what the people in that region want, and upon how they can best take care of themselves?" He said that even the most intelligent man would require two years before making sound conclusions on that problem.

The King made no reference whatever to relations between Italy and France. He made no direct reference to the conversation which he had had with Ribbentrop, but he let me gain the unmistakable impression that he was profoundly pessimistic as to the present policy of Germany, and as to the fact that the minds of the present German rulers were made up as to the pursuit of a military policy of conquest.

As I got up to leave, I told the King of the President's gratification by the reply he had received from the King to the message sent by the President last autumn when war had broken out.

I added that I had been deeply impressed on many occasions during my recent visit to Europe with the profound respect shown for the King, and with the confidence felt in His Majesty's desire to do what might be possible to bring about the reestablishment of peace in Europe.

The King looked at me and said: "I am afraid they don't realize how little I can do."

I then said: "Another thing I am greatly impressed with, not only as a result of my present visit to Europe, but
but also because of many previous occasions when I had the privilege of being in Italy, is the devotion and admiration shown by the Italian people for Your Majesty." He shook his head, and smiled, and said, "My English is getting rusty and I don't know how to phrase exactly what I mean, but I am afraid the impression you have obtained is not true." The King then asked me to convey the assurance of his very warm regard to the President.
Rome, March 16, 1940.
I visited Count Ciano with the Ambassador at ten o'clock. He received me with a very personally friendly greeting.

I said that one of the first things that I wanted to say to the Minister was that one of the outstanding impressions that I had gained on my trip was the confidence felt that the Minister and the Duce would do everything possible on behalf of Italy to further the reestablishment of peace. I said that I had been looking forward for many days to my return to Rome, and to the opportunity of having further conversations with him.

I reminded the Minister that when I had left Rome the Duce had said to me that I would find far greater intransigence in London and in Paris than I would in Berlin. I said, however, that, on the contrary, I found no intransigence in either London or Paris, although I had found a complete determination on the part of those two governments to continue the war to its bitter end, unless they could obtain practical and positive guarantees of security which would render them full assurance that they would not again be plunged into a war of this kind.

In Germany, I said to the Minister, I had been told by every member of the German Government that the war must be fought by Germany to victory because the definite objective of the Allied powers was to destroy the Reich, the present régime, and the German people. I said that I had not found in London or in Paris any indication from the men who were today governing those two countries of any desire to destroy the Reich nor the German people.
The Minister then broke in and said that he himself knew that that was the case and that the Allied powers had no such objectives in mind. He said that he would tell me immediately and very frankly, and of course solely for the information of the President, that Ribbentrop in his conversations in Rome, both with him and with the Duce, and he believed with the Vatican as well, had stated that Germany was determined to undertake a military offensive in the near future; that she was not considering any solution short of a military victory as a means of obtaining peace, and that after German victory peace would be laid down by German "Diktat". He said that Ribbentrop seemed to be convinced that the German Army could achieve such a military victory within five months, and that the German Government believed that France would crumble first and then England shortly after. He said that he had again attempted, as he had at Berchtesgaden, to persuade Ribbentrop that the reasonable objectives of Germany could be achieved by negotiation, and that in that connection he had mentioned my own mission to Europe. He said, however, that Ribbentrop had brushed to one side all references of this character, and that he had talked in very loud and violent terms of German power and of German military strength.

The Minister said that he himself was by no means convinced of Germany's ability to win such a victory. He said that it might well be that the present German regime was like a man suffering from tuberculosis who looked strong and healthy, but who had within him the germ of a fatal disease which might lay him low at the most unexpected
unexpected moment. He said that he believed that if the Allied Powers maintained a defensive position, and prevented Germany from breaking through, that alone would result in Allied victory. Germany could only be victorious by breaking through, whereas the Allied Powers could be victorious by either preventing Germany from breaking through, or by breaking through themselves.

I said to the Minister that in my conversations in Berlin I had found the Fuehrer moderate in his manner of speech with me, and Field Marshal Goering moderate and somewhat more precise in what he said; but that even in the case of those two men I had found them laboring under the apparent conviction that military action by Germany was the only hope for Germany, since otherwise Germany would be hopelessly crushed. Count Ciano said that in his own judgment Hitler today was completely under the influence of Ribbentrop, who, he said, had a fatally malignant influence. He said that the formerly close and pleasant relations which he himself had enjoyed with Goering no longer existed, presumably because Goering felt that he (Count Ciano) was responsible for the present non-belligerent policy of Italy. He said that when he went to Berlin last October Goering had not seen him, nor had Goering made any attempt to communicate with him.

Count Ciano said that he wanted to remind me that Mussolini was definitely "pro-German". He said that, notwithstanding this fact, Mussolini would never endanger the position of Italy, nor would he in any way change the present policy of Italy so as to add to the complexities of the present European situation. He wished to assure
me that as a result of Ribbentrop's visit to Rome no new agreements of any kind had been entered into, nor would Italy deviate one inch from the course which she had set herself. He said that Ribbentrop had done his utmost to persuade him, and Mussolini personally, to undertake a rapprochement with Soviet Russia. He said that he himself would do everything possible to prevent such a rapprochement, which he believed would be fatal to the best interests of Italy. He said that he had no present intention of sending an Italian Ambassador back to Moscow.

With regard to the Balkans, Count Ciano said that he knew quite well that stories were current that Italy was stirring up trouble in Croatia. He said he wished to assure me that was not the case; that Italy and Germany had entered into an agreement to guard against any intervention by either one of them in Yugoslavia, and that the policy of Italy remained, as he had told me two weeks earlier, the maintenance of the status quo in the Balkans, and the maintenance of peace in that area. He said that three days from now would be the third anniversary of the treaty which he himself had signed in Yugoslavia and that, in order to set at rest the rumors which had recently arisen, he was going to give a large dinner in Rome to the Minister of Yugoslavia. He emphasized the friendly relations which Italy desired to maintain with that country.

He then returned to the subject of security in Europe. He said he did not know any practical way in which that could be achieved except through the creation
of a four-power pact between Great Britain, France, Italy and Germany, with a guarantee that, if any one of the four powers undertook to commit any new act of aggression, the other three powers would immediately combine to take action against the offending power.

I said to the Minister that in the event that such negotiations were undertaken I wondered if he would not find that far more than that was required, and by that I said I meant an agreement upon measures of real disarmament, and a satisfactory measure of international control of offensive types of aviation, as well as the control and the destruction of certain categories of other offensive armaments. The Minister immediately said that he quite agreed that such a step could and should be taken.

I said that one of the great difficulties of the past twenty years had been that when attempts at disarmament had been made, they had been made at periods when nations were tired, when their moral muscles were flabby, and when they had permitted questions of alleged national honor, prestige, and the prejudices of military and naval authorities to rise as obstacles to the attainment of any real practical disarmament. Perhaps, I said, the brink of the precipice upon which they were now poised might prove to be an incentive to all peoples to strive towards a real and actual disarmament, and the means of practical security which that alone could afford.

The Minister told me that during his conversation with Ribbentrop in Rome, Ribbentrop had spoken of Stalin as of a second Christ; that Ribbentrop had said that his conversations with Stalin in Moscow had been the greatest experience
experience of his life, and that he regarded Stalin as the
greatest man outside of Germany. Ribbentrop had referred
to him as the logical successor of Peter the Great and
Alexander I, and had claimed that it was ridiculous for
Ciano to think of Stalin as a Communist. Count Ciano
laughed, and he reminded me of conversations which he had
only a year ago with Ribbentrop, when Ribbentrop referred
to Stalin as "that most perverted of all damned Commun-
ists." I remarked that I myself had been struck in my
conversations with Ribbentrop in Berlin with the frequent
references which he made to his "Soviet ally", and of the
determination of Germany never to permit any European
power except Soviet Russia, in conjunction with Germany,
to decide questions affecting Eastern Europe.

Count Ciano told me that owing to his past experi-
ence with Ribbentrop, he realized that what the latter said
one day might be completely reversed the next. He stated
that Mussolini and he were now in contact with Berlin, al-
though, in answer to an inquiry from the Ambassador, he
refused to specify the nature of that contact. He asked
me what day I intended to leave Rome, and when I told him
that my plans were made to leave on March 18th, he sug-
gested that I postpone my departure until the following
morning. He said that word from Berlin would probably
be received before noon on March 19th, and that he would
meet me confidentially in some place other than the For-
eign Office to give me the last word that he had before I
departed. I expressed my gratitude to the Minister for
this suggestion, which I said I would abide by. I said
that even after my departure, before I returned to
Washington,
Washington, I hoped he would communicate any information of real significance to Mr. Phillips so that the Ambassador could transmit it in as safe a way as possible to Washington, to await my arrival there.

The Minister spoke briefly of the Far Eastern situation and said that he wanted to make it clear to me that recognition by Italy of the Wang Ching-wei government in China would be undertaken by Italy solely because Italy believed that the Wang Ching-wei government would be strongly anti-Soviet, and would complicate relations between Japan and the Soviet Union still further. He realized, he said, that the United States had far greater interests in the Far East than had Italy, and he understood the complexities of our problems. I told the Minister that I appreciated his frankness in giving me this information, but that he would understand that the rights and interests of the United States in China were questions of very great importance to us, and that the United States had adopted a policy towards Japan which could by no means be termed hasty or impatient.

With regard to the constitution of any Japanese-controlled régime in China, I said I felt sure that he would understand that the United States must pursue its own independent course, and that he knew well what that course was. I regretted that, from what he said, Italy seemed to be embarking on a different course, which, I feared, would not be conducive to the best interests of all the powers, including Italy, directly concerned in the Far East.
Rome, March 16, 1940.
ROME, March 16, 1940.

The Duce received me at the Palazzo Venezia at six o'clock this evening. Count Ciano again served as interpreter and the Ambassador was present at the interview.

I found Mussolini looking far better physically than when I had seen him two weeks before and I did not sense the same feeling of mental or nervous oppression under which I thought he was laboring in our conversation two weeks ago. He received me with the utmost cordiality and in a very friendly personal way.

At the outset of our conversation he said that he would be glad to answer any questions which I cared to put to him, as he said he would be glad to do when I last left Rome, but that he would appreciate it if I would give him my impressions of my recent visits to Berlin, Paris and London.

I replied by saying that, as the Duce knew, I had made a definite commitment wherever I had gone that the views expressed to me by heads of governments or by other prominent officials would be regarded as strictly confidential for the sole information of the President and the Secretary of State. I said that I had so regarded the earlier conversation which I had the privilege of having with him, and that I had only felt at liberty in my visits to the other European capitals to say that I had been encouraged by the impression I had obtained from Mussolini that he believed that the establishment of a just and durable peace was still possible. Mussolini interjected at this point to say that that was entirely correct.

I then said that I had been very much struck with one important point, and that was the confidence I had found on all sides in the sincere desire of the Duce and of Count Ciano to do
to do everything possible to further the reestablishment of peace, and to prevent the spread of the present war. Mussolini again interjected to say that this again was entirely true. He said that he had done everything possible to avert the present war, and that if he had not in fact desired with all his heart to bring about the reestablishment of a "good" peace, two hundred millions of additional human beings in the Mediterranean and in Africa would now be engaged in the present hostilities.

I then said that to answer his inquiry as best I could within the limitations set forth, I had gained the conviction everywhere I had gone that the basic and fundamental demand was for security; not a fictitious and illusory security, but a security based upon real disarmament, upon the abolition of types of offensive armaments and, above all, upon the dispelling of that nightmare by which peoples were oppressed namely the ever present possibility of the bombardment from the air of civilian populations and the slaughter of defenceless women and children.

It was the kind of security which would make small nations free from the threat of aggression or of conquest; and all nations, large and small, able, because of their freedom from menace and through disarmament, to dedicate themselves to the sadly-needed task of economic and financial reconstruction.

I said that in our last conversation the Duce indicated to me his own belief that the territorial and political readjustments required in order to insure a durable peace in Europe were the reconstruction of a free and independent Poland with access to the sea; the restoration of their liberties to the Czech people, although with the préviso that the Czech State should not again become a militarized state, and the retention within the German Reich of Austria, with the added
added belief that any impartial plebiscite held in Austria would prove that an overwhelming majority of the Austrian people desired to remain within the Reich. I said that the impression I had formed was that the solution of these problems was not an insoluble question, but that it was in every sense secondary and subordinate to the real and practical security of which I had spoken.

Mussolini told me that approximately twelve hours before my return to Rome he had received direct word from Berlin that Hitler wished to confer with him. He told me that the meeting had been arranged for ten A.M. on Monday, March 18th, at the Brenner Pass. He said that throughout the course of Ribbentrop’s recent visit to Rome Ribbentrop had insisted that Germany would consider no solution other than a military victory and that any peace negotiations were impossible. He said that Ribbentrop had stated that Germany would undertake an immediate offensive, that she would conquer France with three or four months, and that thereafter Great Britain would rapidly crumble.

Mussolini said that he believed that the German military offensive was in fact very close, and that it would be undertaken within a number of hours rather than within a number of days. As he phrased it, "The minute hand is pointing to one minute before midnight".

He said that if he was to have any success at all in persuading Hitler to postpone the military offensive, he must have some hope to offer him that the Allied Governments would not prove completely intransigeant if negotiations were undertaken with regard to German insistence upon "lebensraum". He wished to know whether I would authorize him to communicate to Hitler the impressions I had formed with regard to the possibility of a negotiated solution of territorial and political
political questions in Europe.

I replied that I was not empowered to give him such authorization, and that I would require a specific instruction from the President of the United States before I could make a reply. I said that I would be glad to telephone the President and communicate the President's decision to Mussolini through Count Ciano later in the evening.

The Duce said that he agreed with me that the question of security was paramount, but that he did not agree that it could be settled prior to an agreement upon political and territorial readjustments. He said that he felt that the two things must be handled simultaneously, and that if that were done, the economic problems should likewise be considered simultaneously. He said that with regard to the independence of the Polish people he believed it imperative that the new Poland should no longer contain within its boundaries peoples who were not Polish, and that in any determination of new boundaries for Poland the adjustments of populations as recently undertaken by the Germans must be taken as definitive. He said that for example one million Poles had been removed from former German Poland to Warsaw and other purely Polish areas. It would be inconceivable as a basis for agreement that such adjustments should not be taken into account.

With regard to a new Czech state, he said he believed that not only must the new Czech state be neutralized, but that it also should have special economic relations with the German Reich.

He said that in a new general settlement the just claims of Hungary for fair treatment of her minorities and for the readjustment of her frontiers must be taken into account, and that the claims of Italy must be given a satisfactory solution.

He expressed the very positive belief that if a
settlement could be found, the curse of the minority problem must be once and for all removed from the European scene. He said that steps which might appear cruel such as the steps which he himself had taken in the Upper Adige must be taken, because the ultimate good was far greater than the immediate hardships occasioned certain peoples.

He said that he did not believe that Europe could ever go back to the kind of illusory security which had been promised but never granted by the League of Nations. He envisioned a new kind of Europe resulting from a federation of greater powers, guaranteeing the integrity and independent life of those smaller powers which were in reality logically and justly entitled to independent existence as proven nationalities. He felt that only through the creation of such a system could real disarmament become effective, and the peoples of Europe be freed from the intolerable burden of armament and from the equally intolerable fear of constant aggression.

He said that Europe could not to-day stand the outbreak of a "real" war. Europe could not undergo recurrent great wars every twenty years.

He then brought back the conversation to the question of an immediate agreement upon territorial and political readjustments of the nature indicated and stated that he believed that in any agreement which might be reached, what he repeatedly termed a "just political peace" was the indispensable first point. I then asked him very frankly how he felt the Allied powers could conceivably undertake to reach such an agreement as a first step, and without prior guaranteed security, when during the course of the last four years every agreement with Germany which had been officially and solemnly entered into, had been in a few months openly violated by Germany. I said, "What assurance could
could the Allied governments obtain that an agreement of the kind you describe, which they might now enter into, would not be as quickly violated as the agreement reached at Munich, in which you yourself played so great a part?" To this inquiry he made no direct reply, but limited himself to saying that he felt that the problem of security could be dealt with simultaneously with the problem of political peace.

As I started to leave the Duce made one final remark to me which appeared to me of particular significance. He said: "You may wish to remember that, while the German-Italian Pact exists, I nevertheless retain complete liberty of action."

When I left he was again particularly cordial, and said in English: "I am most grateful to you for having come to see me", and said that he would communicate with me again on Tuesday, before I left Rome, in order that I might learn of his interview with Hitler.

As soon as I left the Duce, I spoke with the President on the long distance telephone and related to him the chief points of my interview. I expressed to the President my belief that he should authorize me to say to the Duce that the President did not feel that he possessed sufficient information with regard to the views which had been expressed to me in my visits to Berlin, Paris and London, to make it possible for him to agree to permit Mussolini to convey to Hitler any impressions which I myself had formed with regard to any possible territorial readjustments. I said to the President that I feared that if Mussolini communicated to Hitler any impressions of this character, the impression would inevitably be created that the President was participating in the determination of such bases for a political peace as might be offered by Hitler.

The President said to me that he agreed with this recommendation, and that I should further say that in the belief of the President the problem of security was the
fundamental issue, since security involved real and actual disarmament of the kind which would make it possible for men and women to go back to constructive work, with a consequent increase in living standards, and with a consequent immediate opportunity for all of those economic readjustments which are indispensable to a durable peace.

The President further requested me to say that he was confident that neither the Governments of Great Britain nor of France possessed as an objective the desire to destroy Germany nor the German people, and that he believed that their chief desire was to assure themselves that not again would a situation arise where a major European war was forced upon them in every succeeding generation.

I dined informally with Count Ciano and I had the opportunity of talking privately with him immediately after dinner. I communicated to him the President's instructions to me.

Somewhat to my surprise Count Ciano expressed emphatic approval of the decision reached by the President, and said that he believed that it was far better that at this stage no impression be created that the Government of the United States had any apparent participation in the formulation of any terms of political adjustment which might be considered by Hitler. He said that he fully agreed also that the problem of security was the key problem, and that while he believed like Mussolini that no security could be achieved unless an agreement in principle were reached upon a "just political peace" he, nevertheless, strongly felt that the two problems could and should be treated simultaneously. He repeated his own belief that a four-power pact between Germany, Italy, France and Great Britain might prove the basis of a plan for real security, with the agreement that if any one of the four powers undertook an act of aggression, the other three powers would immediately join together
together in declaring war upon the aggressor. He said that he
felt that upon this foundation an effective disarmament scheme
could be worked out, which would result in the abolition of offensive
types of airplanes and of other armaments, and in an international
control (which might later be enlarged to include the smaller
European states) to undertake the abolition of offensive
types of armaments including the factories where they were
manufactured.

Count Ciano expressed complete pessimism as to the results
of the interview to be held at the Brenner Pass. He said
that since Ribbentrop would be present at the interview with
Hitler, Mussolini would not be afforded the opportunity of per-
suading Hitler to follow a more reasonable course. He himself,
he said, had time and again had interviews with Hitler, had seen
Hitler reach the point of reasonable understanding, only to have
Ribbentrop interject and change Hitler's point of view. He said
that he believed that an offensive was imminent, and that Germany
would pursue exactly the same policy which she had pursued in
Poland, namely the unrestricted bombardment of cities including
the bombardment of London and Paris, and the creation of the same
kind of a reign of terror which had lasted during the eighteen
days of the Polish War. He said that he believed, however, that
the Allies would win out. He said that the only way, in his own
judgment, in which Germany could win would be by breaking
through into France, whereas if the Allies successfully remained
on the defensive they themselves would ultimately achieve victory.

He told me, particularly confidentially, that the reason
why he believed the German offensive was imminent was because
when Hitler had requested the interview with Mussolini, Mussolini
had suggested March 19th as the date for the meeting, and Hitler
had replied that he could not wait beyond March 18th. Hitler
had also stated that he could not give more than an hour's time
to the interview since he would have to be back in Germany
urgently
thereafter.

I asked Count Ciano what he himself believed was the real motive for Hitler's request for the interview. He said that he thought that probably it involved the desire on the part of Hitler personally to try to persuade Mussolini to enter into some close working arrangement with Russia. He said that Ribbentrop throughout his visit to Rome had made every effort to win Mussolini and Ciano over to his point of view but without success. He said that Ribbentrop had spoken of Stalin in terms of unbridled admiration, and that he believed that he had convinced Hitler that Mussolini would accept the German point of view on the Russian alliance with Germany.

Count Ciano said that he would meet me without any publicity at noon on Tuesday, March 19th, and would give me in fullest detail an account of the forthcoming interview with Hitler. He spoke in very generous terms of the effect of my own visit to Rome, and expressed the hope that from now on relations between Italy and the United States would be devoid of misunderstanding and friction. He said he believed that even if there is no hope for peace at the present time, close, friendly, and continuing relation between Italy and the United States would prove of inestimable value when the time came for laying the foundations of a decent and enduring peace.

SW-hj
ROME, March 18, 1940.
ROME, March 18, 1940.

The Pope received me at ten o'clock this morning. I was presented to him by Myron Taylor, who was present at the interview. The Pope had before him a typewritten memorandum in English, to which he referred throughout the conversation. His English is not fluent, and, except when he was reading English, which he did with facility, I gained the impression that at several points in the conversation he did not understand clearly some of the things that were said to him by Mr. Taylor.

The Pope commenced the conversation by referring to his belief, which he had previously expressed to Mr. Taylor, that any peace negotiations at this time would prove impracticable. He asked me what my own views might be.

I said that it seemed to me that a very great obstacle at this time was the apparently sincere belief on the part of the highest German authorities that the Allied governments were determined to destroy the German Reich and to destroy the German people. I said that I had not found any such objectives when I visited London or Paris, nor had I found any spirit of complete intransigence such as I had been told I would find when I visited those capitals. I said that it seemed to me that the fundamental problem at the moment was whether human ingenuity could devise some form of physical security, including disarmament and the abolition of certain categories of offensive armaments, which would relieve peoples of their ever increasing apprehension, and which would assure the governments and peoples of all nations, both small and large, that they would be free
free from the ever present threat of aggression. I said that I believed this to be the chief issue, and that unless this problem were solved there seemed to be very little likelihood that any real or durable peace could be achieved.

The Pope then stated that he did not believe that the Germans would immediately undertake a military offensive on the Western front. He said that he had been informed that "technical" obstacles existed which would render the undertaking of any such offensive unlikely for at least a month, and that he was further informed that the members of the German General Staff were definitely opposed to any land offensive by Germany on the Western line. The Pope said that he believed that intensified air or maritime activity might be undertaken by Germany, but nothing more.

The Pope then said that he believed the President would perform a service of the highest value in the interest of peace by exerting his influence with Mussolini so that Italy would remain a non-belligerent. He said, furthermore, that he believed closer and more friendly relations between the Italian Government and the Government of the United States would be very valuable, not only for the reason indicated, but also because of the fact that if and when the time for peace arrived the two governments could usefully cooperate. He stated that he would inform the President in the fullest detail through Myron Taylor of any views which he might form as to the time and manner of undertaking any movement for peace, and believed that it might well be that the Vatican and the two governments mentioned could cooperate at some future
future time in this sense, or at least act by common accord on parallel lines.

I inquired of the Pope with regard to his interview with Herr von Ribbentrop. He said very definitely that Herr von Ribbentrop had been exceedingly quiet and moderate in his manner, notwithstanding current rumors to the contrary. He said, however, that Ribbentrop had manifested only one point of view, namely that Germany was determined to proceed with the war until she had achieved a military victory, and that German military strength was such that a complete victory would be assured Germany within a short time. The Pope said that Ribbentrop had displayed no hesitation whatever in his insistence on this point.

The Pope said that with regard to the treatment of Catholics in Germany—who, the Pope declared, were being increasingly deprived (as were the Protestants) of their right of freedom of worship, and of their freedom to maintain their religious belief—Ribbentrop had given him no satisfactory assurances whatever. On the contrary, Ribbentrop had asserted that German Catholics possessed complete liberty to practice their faith, and to undertake their religious activities, provided they did not engage in politics as Catholics. The Pope stated that this was, of course, not the fact. He said that he had asked Ribbentrop whether he believed in God, and Ribbentrop had replied, "Ich glaube an Gott, aber ich bin unkirklich." (I believe in God but I am not addicted to any Church) The Pope repeated this phrase in German sarcastically two or three times, and with a smile said
that was Ribbentrop's statement, but he could not help wondering about its truth. He said that he had spoken to Ribbentrop with regard to the distressing situation of the Catholics in Poland, and had asked whether the German Government would not agree to the appointment of a Papal delegate to proceed to German occupied Poland in order to investigate what the conditions there might in fact be. He said that he had been unable to obtain any assurance from Ribbentrop on this point, and that the latter had merely said, when pressed, that he would take the matter under consideration.

At one point in the conversation Myron Taylor broke in and inquired of the Pope whether there would be revolution in Italy if Mussolini brought Italy into the war on the side of Germany. His Holiness looked exceedingly surprised, and hesitated a considerable time in framing his reply. Finally he expressed the belief that while public opinion in Italy was definitely opposed to Italian participation in the war, he doubted exceedingly that there would be any open rebellion against Mussolini's authority—for at least some time—if Italy entered the war on the side of Germany.

The Pope emphasized his gratification at the designation by the President of his personal representative to the Vatican, and repeated to me what he had already said to Mr. Taylor, namely, that Mr. Taylor could have access to him at any time that he desired. He asked me to convey an affectionate message of greeting to the President, and said that he would always recall with the deepest pleasure the conversation he had with the President at Hyde Park.
The conversation lasted about fifty minutes but contained no points of significance other than those related and was in part a repetition by the Pope of statements previously made to Mr. Taylor and already reported by him to the Department of State.

The Pope was exceedingly cordial, both in his reception of me, as well as in all his references to the United States and to the President. He impressed me as having a very well-informed and analytic intelligence, but as lacking the force of character which I had previously attributed to him. I found Cardinal Maglione far more direct and unevasive in his discussion of present conditions.
Rome, March 18, 1940.
After leaving the Pope, I was received by Cardinal Maglione, the Cardinal Secretary of State. Cardinal Maglione spoke French with complete command of the language, and we consequently spoke in that language rather than through an interpreter.

Cardinal Maglione stated first of all that he was sure the Pope had said to me that he believed the President could perform a service of great value in the interest of peace by using his influence with Mussolini to dissuade the latter from bringing Italy into the war. He said that he had been very much gratified by the friendly way in which I personally had been received by Mussolini and by Count Ciano, and that he hoped that cordial relations between the two governments would now be maintained, since he believed that such relations would be of great value in persuading Mussolini to maintain a position of Italian non-belligerency. He said, furthermore, that it was only through the maintenance of a close and friendly contact between Washington and Rome that, should it later seem possible to make some move for peace, the two governments might then be enabled to act in harmony and not in discord.

He said that he knew that the Pope had undoubtedly also said to me that the Holy See would cooperate towards that objective in every possible way and that all the information that the Vatican possessed would be placed at the disposal of the President.

He himself did not believe that the moment was now ripe for the discussion of the bases of any real, just and lasting
lasting peace. He said that Herr von Ribbentrop had been utterly intransigent in his point of view, insisting that Germany was determined to carry the war through to a victorious conclusion and that the German Government would consider no other alternative. The Cardinal did not himself believe that Germany would undertake any military offensive now on the Western front. He said that he knew there was widespread opposition to such an undertaking on the part of the General Staff, and that he was by no means sure that there was not a movement on foot within the General Staff to bring about a change in régime. He asked me if I had any information to that effect. I said that, of course, I had had many reports to that effect, but that I had no information which I could regard as conclusive.

I asked Cardinal Maglione what he believed were the real motives which had induced Hitler to request the interview today with Mussolini at the Brenner Pass. The Cardinal said that he believed there were two possibilities: first, that Germany was in reality determined to undertake an immediate offensive, and that Hitler desired to use this opportunity to bring pressure to bear upon Mussolini to enter the war immediately on Germany's side; second, that Hitler was considering peace terms which he would discuss with Mussolini for the purpose of having such terms presented to the Allies through Mussolini.

I asked the Cardinal whether he thought that another possibility might not be the desire of Hitler to bring about some form of closer accord between Mussolini and the Soviet Government. The Cardinal said that this, of course, was a possibility, but that he did not think it possible
possible that Mussolini would agree. He said that Italy had everything to lose by such an arrangement and nothing to gain. He said that Italy's vital interest lay in keeping the Balkans and the Near East free from Russian expansion, and that he could not imagine that Italy would agree to any tripartite arrangement which would result in German and Russian domination of portions of the Balkan countries.

He stated with great emphasis that Germany had lost out on every front in her diplomatic dealings with Russia. He said that in the North the peace imposed by Russia upon Finland, and the Russian domination of the Baltic states previously agreed to by Germany, had turned the Baltic into a Russian lake rather than a German lake, and that as a result Russia had offset every German gain which Hitler had obtained in Northern Europe since 1933. In so far as Central and Southeastern Europe were concerned, the Cardinal believed that Germany's apparent gains were in reality illusory. He felt convinced that in those regions Russia had been the real gainer and that sooner or later Germany would find the preponderant position which she had ceded to Russia of grave detriment to her own vital interests.

The Cardinal spoke with much affection of the French people and of M. Daladier. He spoke with ill-concealed aversion for the German Government and with great apprehension of the increase of Russian influence in Central Europe. He told me that he believed that Communism was rapidly increasing in Germany, and that if the war continued for any appreciable length of time, Communism would be a dominating factor within Germany itself.

The Cardinal impressed me as an extremely intelligent man with a very keen insight into present European affairs.
I told him that they had told me in Paris that when I met him I would meet the "greatest diplomat in Modern Europe". He was obviously delighted, although he replied deprecatingly, "On vous a trompé à Paris."
Rome, March 19, 1940.
Rome, March 19, 1940.

According to the agreement that we had made before Count Ciano left Rome to accompany Mussolini to meet Hitler and Ribbentrop at the Brenner Pass, I lunched with Count Ciano privately at the Golf Club today so as to avoid any undue publicity with regard to our meeting.

Count Ciano talked to me alone for about five minutes before lunch with the Ambassador present, and for about half an hour after lunch with just the two of us taking part in the conversation.

Count Ciano said that he would tell me with complete frankness everything that had transpired at the meeting except that portion of the conversation at the Brenner Pass which had to do with purely internal questions affecting the Axis relationship, and while he did not specify the nature of these "internal questions", he gave me to understand very clearly that they were primarily economic in character since he mentioned coal as one of the subjects that came up for conversation.

Count Ciano said that, notwithstanding what the official German statement had contained, the Brenner meeting had not been arranged at the time Ribbentrop was in Rome last week, but had been arranged, as he had previously told me, two days ago by telephone from Berlin upon the initiative of Hitler some twelve hours before my arrival in Rome.

He said that the exact time and place had not been decided upon until after my first conversation with him in the Foreign Office on March 16th. He said that one of the reasons mentioned by Hitler for requesting the meeting
meeting was that he and Mussolini had not personally met since the meeting in Munich eighteen months ago, and that in view of the developments of the past six months a personal interview was required. Ciano added somewhat acidly that he believed Ribbentrop's inability to make any progress when he had visited Rome last week and Hitler's knowledge that he (Ciano) was determined to do everything within his power to keep Italy from getting into the war, was the more important reason for the request for the meeting.

Count Ciano said that Hitler seemed in far better physical and mental condition than when he had seen him last summer and last October. He said that Hitler did practically all of the talking and that Mussolini did very little.

He said that he was very much impressed with the fact that Hitler was far less intransigent in his point of view with regard to the possibility of a negotiated peace than had been Ribbentrop when the latter had visited Rome, although he emphasized that every time that Hitler adopted a reasonable attitude with regard to any problem, Ribbentrop would invariably interrupt and try to persuade Hitler to take a more rigid attitude.

Count Ciano said that he believed the most important thing for me to learn was that there would be absolutely no change in Italy's non-belligerent attitude as a result of the meeting. He said that Hitler had hardly mentioned Russia, and had made no effort to support the requests made by Ribbentrop last week that Italy enter into any closer relations or into any specific agreements with Russia. Count Ciano said that he wanted
me to know privately that he had gained a very clear impression that Hitler had no such delusion with regard to the German-Soviet Alliance as had Ribbentrop. He told me that he had gained the positive belief that Hitler was using the Russian arrangement to his own interest, with the expectation that the time would come when he (Hitler) could turn against Russia, and secure back from Russia the positions Germany had given away in the Baltic States and through the cession of Finnish territory to the Soviets.

He said that no peace proposals had been made by Germany, and that Germany had not requested Mussolini to present any suggestions for peace proposals to the Allied governments.

He said, however, very emphatically that he believed that the time might come in the not distant future when Hitler would be receptive to the consideration of a negotiated peace, and he assured me that he would in such event get in touch immediately with the Government of the United States through Ambassador Phillips in order that we might know what his own feeling at such time might be. He stated that if such an opportunity arose he believed that the initiative should be taken by the President of the United States, using Italy as its "point of support" in Europe. He said that for that reason he trusted that we would continue the very friendly and frank relationship which had been created as a result of my visit to Rome, since he believed that a closer friendly understanding between Italy and the United States was not only to the advantage of Europe in the event that any opportunity for peace arose. I told Ciano that I warmly reciprocated the opinions he had expressed, and that I felt sure that he would
would realize from the personal letter which the President had addressed to Mussolini that the President cordially concurred in this belief.

I inquired of the Minister with regard to the Balkan situation. He stated that a cardinal point in Italy's foreign policy was the maintenance of the status quo in the Balkans. He said that it had been made clear to Germany that Italy would not agree to any German penetration of Yugoslavia, and that Italy intended to do all that is possible towards the maintenance of the present Balkan situation, leaving the question of territorial revision in abeyance until the time came when a general peace settlement could be undertaken.

The Minister said that he had agreed to confer with Count Teleki here in Italy three days from now. He said that he considered the Hungarian situation the most critical in Europe at this time, but that he believed that difficulties of a "serious character" could be avoided through continued cooperation between Italy and Hungary.

He represented to me that the reports that Italy was stirring up trouble in Croatia were unfounded and said again that on March 25th, the third anniversary of his signing the Treaty of Non-Aggression with Yugoslavia, he intended to give a public banquet in honor of the Minister of Yugoslavia as a gesture to try and quiet rumors of increasing friction between Italy and Yugoslavia.

The Minister said that notwithstanding Ribbentrop's assurance that a military offensive by Germany was imminent—which assertions had been accepted at face value by Mussolini and himself--Hitler made it clear that no military offensive on the Western front was to be undertaken in the immediate future.
future. He had however indicated immediate aviation activity, including the bombing of British ports, and of inland cities, particularly London. Count Ciano said that when asked for this apparent change in tactics with regard to the Western front, Hitler referred to the weather conditions and certain "momentary" obstacles. Count Ciano did not specify to me if he knew what the actual reasons for this change of plans might be. He said that some of the Italian military officers who had accompanied Mussolini had talked with General Bodenschatz of the German General Staff, and had gained the definite impression that the German General Staff itself was resolutely opposed to any military offensive by Germany along her Western frontiers. When I said good bye to him, Count Ciano said:

"Please give this message to President Roosevelt. Tell him that I personally have the utmost admiration for him and great confidence in what he himself can do to be of service to the cause of civilization in Europe. Tell him, further, that so long as I remain Foreign Minister, Italy will not enter the war on the side of Germany, and that I will do everything within my power to influence Mussolini in that same sense. Tell him, finally, that nothing will be more grateful to me than the opportunity to cooperate in the name of Italy with the United States in the cause of the reestablishment of that kind of just and durable peace in which the President believes. You may add that I believe that Alliances at times are necessary in Europe, and that I do not believe that under present conditions peace can be established or maintained in Europe without an equilibrium of force and a balance of
of power, but I am sure that the President and you will realize that while the safety of Italy itself depends on the maintenance of such equilibrium, Italy also requires the safety and security of the smaller neutral powers, as well as rapid disarmament, and the security which the elimination of many types of offensive armaments would bring."
ITALY AND PEACE IN EUROPE
ITALY AND PEACE IN EUROPE

My belief as to the present policy of the Italian Government, and as to the present situation in Italy, may be set down in a few words—

Italy will, I think, unquestionably still move as Mussolini alone determines. Mussolini is a man of genius, but it must never be forgotten that Mussolini remains at heart and in instinct an Italian peasant. He is vindictive, and will never forget either an injury or a blow to his personal or national prestige. He admires force and power. His own obsession is the recreation of the Roman Empire. His conscience will never trouble him as to the way or the means, provided the method of accomplishment in his judgment serves to gain the desired end.

He will never forget nor forgive the sanctions episode of 1935 and the policy pursued by Great Britain towards Italy at that time. Up to that moment strongly anti-German, he then determined to seek an understanding with Hitler as a balance to prevent Italian isolation. He believes that he has found a successful answer to that problem, and that it will serve his purpose of securing, either at an eventual peace conference, or by throwing his weight if necessary with the winning side in the present war, the additional territorial and political advantages which he seeks. He could at any moment during the past two years have had the concessions he seeks from France, short of the cession of political jurisdiction in Tunisia. He has deliberately refused these concessions because of his knowledge that if he now reached an agreement with France, he could not readily obtain the additional
additional concessions he desires from Great Britain, namely: the demilitarization of Gibraltar and Malta, the neutralization of the Mediterranean, and (as a minimum) British Somaliland. He desires to retain his strong nuisance value until he can get at the same time what he wants from both Allies.

A highly intelligent Italian high up in the Government said to me "It was a great tragedy for Italy when Mussolini visited Berlin two years ago." What he means was that Mussolini was there enormously impressed with German military strength, and with the ruthless efficiency of German organization. He came back believing, and I think believes today, that Germany's power cannot be defeated. It is highly probable that he fears for his own new northern frontiers, as the new Italian fortifications along the Austrian boundary show, but I cannot help but feel that his hatred for Great Britain and France is so powerful, and his faith in German military supremacy so strong, that he will not modify his axis policy until and unless an Allied victory is indisputably evident.

If, on the other hand, Germany obtains some rapid apparent victories, such as the occupation of Holland and Belgium, I fear very much that Mussolini would then force Italy in on the German side—and I use the word "force" advisedly.

No one in the Italian Government wants Italy to get into the war. Count Ciano is violently against it, and no one else in the Government at this moment is more than a figurehead. The General Staff is strongly against it,
it, and I am told that feeling in the army against Italian participation is formidable and vocal. The newer, and increasingly strong, element in the Fascios led by Ciano, Grandi, Balbo and Muti is strongly opposed. So is the Royal Family. The entire Church is openly against it; so are the financial and commercial interests, and every ordinary man and woman with whom one can talk. Popular feeling is not pro-Ally, but it is anti-German.

The economic situation is constantly deteriorating. The price of living is rapidly rising; salaries are not. Taxes are sky-rocketing, and public complaint is by no means stifled. Everywhere one hears "Italy cannot stand a new war".

And yet there is no doubt in any one's mind that if Mussolini gives the word, the Italian Army will enter the war on the German side. I am told that if this takes place, and if Germany is not victorious quickly, mutinies will occur in the Army, and uprisings among the civilian population, with an eventual breaking down of the present structure of Government.

I am told also, that with this in view, the more liberal Fascists are rapidly working out a program of cooperation with those institutions in Italy (which Mussolini has so largely disregarded) such as the Church, the Royal Family, the Financial and Commercial Corporations (in the Fascist framework), and the local municipal authorities, to serve as a leverage against any war policy by Mussolini.

But I believe that the decision will be made by Mussolini alone. He lives very largely nowadays in retreat.
retreat. He sees no personal friends and no foreigners other than an occasional German. No one except Ciano appears to have any influence with him, and the latter very little.

For these reasons I believe the United States can make a very real and a very practical contribution towards the cause of peace by improving relations between the two countries. For various reasons my visit to Rome improved the atmosphere. The President's personal letter to Mussolini was a powerful factor. If members of the administration in Washington would refrain from using the word "Fascism" in attacking totalitarian forms of Government, the injured sensibility of Mussolini would be somewhat assuaged. If the United States appropriates a reasonable sum for participation in the Rome 1942 Exposition, and if some practical way can be found for enhancing commercial relations between Italy and the United States, American influence in Italy would sharply increase.

The chief request made of me by the Pope, by his Secretary of State, and by Count Ciano, was for me to urge the President to utilize his influence with Mussolini to keep Italy out of the war. The President cannot effectively exercise any such influence unless relations between the two Governments become decidedly more friendly and closer. The practical steps I have indicated would contribute greatly towards that end.

In my considered judgment a close relationship with Italy today is feasible, and the recognition of the Ethiopian conquest is not immediately necessary in order
order to bring it about. Should such a relationship be established it would do much to prevent any possible entry of Italy into the war, and should a negotiated peace in Europe prove practicable, the ability of the United States through the President to maintain a friendly and confidential contact with Mussolini might in many contingencies prove of exceptional value.
Conclusion

Of all the many statements made to me in the conversations I had, the statement which I have most often recalled is the phrase used by Paul Reynaud in my final talk with him, when he said, "If the catastrophe is to be averted, daring statesmanship is required." That, I believe, is unquestionably true. If the present situation continues to drift, no matter whether a war of devastation breaks out in the immediate future or not, I doubt whether the present generation will again see a world in which there exists any real security, national, physical, or economic.

What is imperatively required is statesmanship of the highest character, marked by vision, courage and daring.

I saw no signs of statesmanship of that kind in any of the countries I visited, nor do I know of any of that character in any other European country.

I do not believe there is the slightest chance of any successful negotiation at this time for a durable peace if the basis for such negotiation is made the problem of political and territorial readjustment—the "just political peace" insisted upon by Mussolini—, or the problem of economic readjustment. Those two problems must be solved before any lasting peace can be found, but to my mind they are complementary, and subordinate.

The basic problem I feel is the problem of security, inseparably linked to the problem of disarmament.

I believe there is a slight chance for the negotiation
of a lasting peace if the attack for peace is made upon the issue of security.

If the great powers of Europe—even exclusive of Russia—could be shown a practical means of obtaining security and disarmament, neither the political peace required, nor the essential economic basis for a real peace, would, in my judgment, offer any insuperable obstacles.

I do not underestimate the magnitude of the task of finding any hope of a real peace so long as Hitler and his régime remain in control in Germany.

The German people are living a life which seems the existence of people on another planet. To them lies have become truth; evil, good; and aggression, self-defense. But yet, back of all that, their real demand is security, the chance to live reasonably happy lives, and peace. I agree fully with Mussolini that no people at this time wants war. If the German people today are united behind Hitler in the war—as I feel the majority are—I believe it to be solely because they sincerely fear that their own safety is at stake.

The one slight hope of peace, before Europe plunges into a war of devastation, or drags through a long-drawn-out war of attrition, so long as the National Socialist régime remains in power in Germany, is the agreement by the great powers of Europe upon some practicable plan of security and of disarmament. This would be the "miracle" spoken of by Mr. Chamberlain which would persuade Great Britain and France once more to negotiate with Hitler.

The initiative, in any such attempt, could not come
from Europe. The Pope, I fear, is discouraged and, in a sense, confused. The mind of the Vatican is concentrating upon political and territorial questions. Very little importance is being attributed to the question of security and disarmament, or to the economic aspects of the problem.

Mussolini is too closely associated with Hitler.

There remains only the United States, supported by other neutral states, particularly those of the New World.

If the moment arrived when the Government of the United States felt it possible to move, I am confident that both the Vatican and Mussolini would support such an initiative.