

Bulgaria 11/2/27 - 5/22/29

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LEGATION OF THE
UNITED STATES OF AMERICA
Sofia, November 2, 1937.

No. 7

Subject: Survey based on observations
and discussions since arrival
of Minister.

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Copy in E
DIVISION OF
EUROPEAN AFFAIRS
NOV 2 1937
File in
DEPARTMENT OF STATE

OFFICE OF THE ADVISER ON
INTERNATIONAL ECONOMIC AFFAIRS
DEC 6 - 1937
DEPARTMENT OF STATE

Instructions
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CORRESPONDENCE
AND RECORDS
CONFIDENTIAL

DEPARTMENT OF STATE
A-M/C
NOV 2 1937
ASSISTANT SECRETARY
OF STATE

STRICTLY CONFIDENTIAL

NOV 30 1937
ADVISER ON POLITICAL RELATIONS
NOV 26 1937
DEPARTMENT OF STATE

774.00/86

The Honorable
The Secretary of State,
Washington.

TREATY DIVISION
File in
DEC 2 - 1937
CIB
DEPARTMENT OF STATE

Sir:

I have the honor to set forth a brief survey
based on my preliminary observations and discussions
since my arrival in Sofia. In presenting my letter of
credence to the King, he stressed in the course of his
informal remarks to me which followed that his single
aim was to achieve and maintain peace for his country.
He added "we were caught taking sides in the world
war -- and on the losing side -- we have paid for our
experience."

774.00

F.P.

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NOV 7 1937

experience and our aim will be to avoid entanglements in any future struggle." In his subsequent remarks to the Military Attaché he stated as follows:

"We want this country to have a feeling of surety. I know what war means. I know from personal experience what Bulgaria has suffered in the past. So we are interested in peace. Not merely peace in the abstract, actual peace. We want no war, not only none in this country nor in eastern Europe. We want none anywhere. We're striving to avoid any sort of entanglements, and the only means to that end is by keeping on the best of relations with all."

I believe these statements of the King to represent the general Bulgarian viewpoint and one which guided him in deciding upon a foreign policy which in his judgment held out the greatest promise of peace, but which at the same time did not lend any interpretation of acquiescence to Bulgaria's present territorial frontiers which are considered unjust. The recent understanding with Yugoslavia is the natural outcome, and I should expect would be the extent of any definite commitment in foreign policy Bulgaria will undertake for the present future. The traditions of this country are in the main founded on force and there is a wholesome respect for nations that uphold that tradition. Thus, the entente with Yugoslavia, in spite of the Macedonian question and in spite of undefined apprehension here lest Yugoslavia might become the tutelary power, has been generally accepted in this country for want of any better alternative, especially as this understanding with a strong Slav neighbor has broken through the ring of powers allied....

allied in the war that surrounded this country and has brought Bulgaria into a stronger position vis-à-vis Greece and Rumania. While events in the dictator countries are being closely followed, I find less belief here as to the final achievement of Italy under Mussolini than there is in the future of Germany, and it is interesting to note that at the recent army manoeuvres Yugoslavia and Germany were the only two countries invited to send a military mission.

I have not yet been able to discover that either the Soviets or the great democratic countries of Europe (I refer specially to France and England) have that eminence here that I expected. French prestige has suffered considerably in the Balkan countries lately due to the French internal situation, and the general Franco-British policy towards the Balkans is regarded in Sofia as being but corollary to their policies as determined by the general European situation confronting them. The position of the Balkan countries in the matter of sanctions against Italy is frequently cited in this connection. Nevertheless, I believe it correct that given the apparent solidarity of purpose of these two democratic countries at the recent Nyon Conference, the French and British representatives took that occasion to discuss the general Balkan situation with the representatives of those Balkan countries attending, and while the Bulgarian Prime Minister, Mr. Kiosseivanoff, welcomed the opportunity given to him personally and spoke without reserve as to the peaceful aims of his Government.....

-4-

Government, it was not until the recent electoral law was passed by the Council of Ministers (see Legation's despatch No. 5, October 26) assuring an early return to limited democratic institutions in this country, that King Boris was able to satisfy his personal policy in seeking to fortify Anglo-Bulgarian relations and to reinforce Mr. Kiosseivanoff's remarks by conversations in London. On this occasion he undoubtedly will also disavow any Bulgarian leanings towards the Rome-Berlin axis. King Boris's recent presence in London was well received and in this connection I venture to quote from the TIMES' Leader of November 1st:

"London has very welcome guests in King Boris and Queen Ioanna of Bulgaria, who arrived in this country yesterday and will remain here during the week. Unofficial though their visit is, it is a matter of importance that a Sovereign of high character and swift as well as solid intelligence should be visiting this country during the present anxious period in the fortunes of Europe. Apart from his personal reasons for liking London, among which are his kinship to our Royal Family and his wide range of interests, King Boris has never lost a chance of enlarging his circle of personal contacts with foreign statesmen and high officials and of studying the policies of foreign Governments. Previous journeys to London, Paris, Rome, and Berlin have enabled him to serve his country's cause in many ways, and not least by correcting misapprehensions of Bulgarian policy and by dispelling misunderstandings. Two fortunate events, which have happened this year, have greatly strengthened his own position, and have unquestionably consolidated the internal situation of his country. The birth of a son and heir, welcomed with immense enthusiasm by his people, is one of them. The other is his success in bringing Bulgaria back to the threshold

of....

of democracy, after over three years of a more or less dictatorial régime which was originally imposed upon his country and upon him by a military clique."

King Boris's present journey to London, which permits carrying further the conversations begun will, it is understood here, also include Paris and Rome. There is much speculation here as to what his decision will be in regard to a visit to Berlin.

662,7431
This Legation has already reported on the trade position with Germany, but I am informed Bulgaria's indebtedness today for goods supplied from Germany, specially war materials (the bills for which in many cases, however, have not yet matured), is as a matter of fact at a record figure. From the Bulgarian viewpoint the situation vis-à-vis Italy is unsatisfactory, since it has been impossible to collect monies due for commodities supplied by this country. On my journey here I found in Hungary the same situation as regards Italy. For Hungary there have been compensating political advantages, but in Bulgaria there is the feeling that Italy has shown no understanding of the country's problems. In this general connection I have been informed that in spite of British official statements reported here in favor of a general policy for the removal of restrictions on the freedom of trade, British Board of Trade officials throughout the past year in their conversations with Bulgarian representatives have urged that the trade figures between the two countries should be more nearly balanced.

For the....

For the past three years Bulgaria has had a succession of good crops and the increase in world commodity prices, notably since 1935, has correspondingly benefited Bulgaria, and this recovery is reflected also in the country's foreign reserves. Well-considered opinion here considers that this favorable situation may wane, either as a result of a decline in the agricultural markets, or of a crop deficiency, which the country experiences periodically. Unfortunately Bulgaria has few other resources.

It may also be of interest to note in connection with this despatch that subsequent to the Nyon Conference Mr. Stoyadinovitch, Prime Minister of Yugoslavia, has also made a pilgrimage to France and London which resulted in the renewing of the pact of Franco-Yugoslavian accord. The King of Greece is now reported to be on his way through Italy to London. In Hungary it was definitely stated to me the importance which was attached to the Nyon conversations, since it offered an opportunity to explain the country's position to the western democracies. These Balkan visits likewise indicate the same preoccupation.

There is borne in upon one here a strong impression that King Boris is a cleverer and a more far-sighted politician and statesman than perhaps any man in his country, and if the forthcoming election return a parliament to ratify his acts since 1934, his position, at this instant he has chosen to return to a parliamentary régime, fortified by a birth of a son and heir, by the country's improved economic situation,
and....

and by those personal and friendly contacts he is able to maintain with foreign governments, will be stronger than ever.

Respectfully yours,

Ray Atherton
Ray Atherton

File 800
RA/MM



(1 copy used for note)
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7P
RECEIVED



LEGATION OF THE
UNITED STATES OF AMERICA

No. 21

Sofia, December 16, 1937.

Handwritten marks

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DEPARTMENT OF STATE

1937 DEC 29 PM 1 04

DIVISION OF
EUROPEAN AFFAIRS
COMMUNICATIONS
AND RECORDS

Subject: Bulgaria and the Balkan
Pact. . .

DIVISION OF
EUROPEAN AFFAIRS
DEC 31 1937
File Co
DEPARTMENT OF STATE

CONFIDENTIAL

774.00/88

774.00
m/c

M.I.D.
D.N.I.
EPB
JAN 13 1938

The Honorable

The Secretary of State,
Washington.

DEPARTMENT OF STATE
A.M./C
JAN 1 1938
ASSISTANT SECRETARY
OF STATE

DEPARTMENT OF STATE
JAN 1 1938
DIVISION OF
NEAR EASTERN AFFAIRS

I have the honor to refer to my despatch No. 7,
of November 2, 1937, and to state that I enquired of
my British colleague as to what he had heard from his
Government concerning the conversations that took
place with King Boris during the latter's visit to
London. The British Minister replied he had been in-
formed as to the King's talks both in Paris and London
and that they were in themselves not important, the
main...

JAN 1 1938

CONFIDENTIAL FILE
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main object of the King's visit being to establish himself in French and English opinion as a democratic, constitutional Monarch, and explain that Bulgaria was in no way liable to be drawn into the purlieu of the Rome-Berlin axis. Furthermore, the King was prepared, if the question of Bulgarian armament policy was broached to him, to explain that the present so-called rearmament was in reality a reorganization program which was modest in its very nature, especially compared with the programs of neighboring Balkan countries. I then referred to the cordial reception given to King Boris in London and especially to the TIMES' editorial quoted in my despatch above referred to. The British Minister explained to me the background upon which he believed much of the Foreign Office's cordiality to the King was based. In the early part of the present year the British Minister had reported to his Government his belief in a tentative Bulgarian desire to improve within limits its relations with the surrounding Balkan countries. There was no problem that prevented somewhat improved relations with Turkey and as to Rumania, through the good offices of the present Rumanian Minister in Sofia, conversations were begun as to the treatment of peasant minorities, schools and the establishment of better communications, more especially an adequate ferry for automobiles, etc. across the Danube at the Bulgarian-Rumanian frontier at Rouse (see Legation's despatch No. 409, July 26, 1937). At the turn of the year the

conversations...

871,4016

conversations with Yugoslavia resulted in the Bulgarian-Yugoslav pact of friendship. According to my British colleague, the Greeks from the beginning were very much perturbed at this trend of Bulgarian policy and according to his information, brought the question up for discussion in Ankara and Bucharest, with the result that the Rumanian Government ceased discussions as to the question of peasant minorities and some time in the summer the charters were cancelled for four Bulgarian schools which existed among the Bulgarian minorities in Rumania. Prime Minister Kiosseivanoff, I know, has expressed to others of my colleagues regret at this measure taken by the Rumanian Government and pointed out the pressure that was being brought on him to close the Rumanian school in Bulgaria, which he felt that if he were forced to do might further alienate sympathy between Sofia and Bucharest. However, conversation for improved communications has continued and my Rumanian colleague informed me last night that the contract for the construction of a new ferry by a German firm was signed yesterday

At the conference of the Balkan ^{pact} Entente held this autumn under Turkish initiative, according to my British colleague, the Greeks again brought up the question of Bulgarian rearmament and were able to obtain Turkish and Rumanian support against Bulgaria's desire for two small submarines to be stationed on her Black Sea coast. The opposition was sufficient so that up to the present time at any rate Bulgaria has not placed the order for these

two....

two submarines in France as had apparently been her intention. My English colleague pointed out that according to the estimate of the British Military Attaché, if one evaluated the sum spent on military improvements in this country during the past year, including work by soldier labor in ground leveling, etc. etc., the total sum does not exceed 25 million dollars, which the British Military Attaché considers a modest figure in view of the rearmament programs of the surrounding countries. He cited that last year Turkey had completed a fifty-million dollar rearmament program and was now engaged in a two-year program calling for an expenditure of another 50 million dollars. Greek rearmament plans were also extensive.

7662.74
Behind the façade of the Bulgarian-Yugoslav pact of friendship I learn from my conversations here that very little has been accomplished beyond the fact that the frontier had been opened, but even in this connection many petty annoyances have been retained. My Yugoslav colleague here admits that to date the concrete results of the pact have not been great, but made the suggestion that Prime Minister Stoyadinovitch had during the past year been very much engaged in European politics and that he was hopeful in the future more attention could be given to Bulgarian-Yugoslav relations. Thus, according to the views of my British colleague, which I understand he has in the past twelve months conveyed to his Government, Greece is "the nigger in the woodpile" that has
made...

made the position of the Bulgarian Government in its desire for more cordial relations more difficult.

In my conversations with Bulgarians during the weeks I have been here as to their attitude vis-à-vis the Balkan Pact, a very general explanation has been given to me that it is useless for them to attempt to join the Balkan ^{Pact} Entente until the ever-recurring questions of minor annoyances between Bulgaria and her neighbors have been disposed of; it would mean that instead of an attempt to solve these questions through diplomatic channels, as was the case at present, these annoyances and vexing problems would be raised with no greater goodwill in discussions of the Balkan ^{Pact} Entente where Bulgaria would at once find herself in a minority position.

Summing up the whole picture, the British Minister informed me that he had advised his Government that he felt a discontented Bulgaria, thwarted in what might be defended as legitimate aspirations, was a greater uncertainty in the Balkan situation than a country that was allowed to carry on within a modest program and, accordingly, when Prime Minister Kiosseivanoff had approached him and indirectly pointed out that Bulgaria's perfectly legitimate wish for two submarines was being blocked, he had advised his Government accordingly and understood at the present time that this matter might be raised by the British representatives in Athens, Ankara as well as in Paris. Furthermore, the British Minister was hopeful that Monsieur

Delbos.....

740.0011 M. J.
(Balkan)

Delbos might decide to pay a visit to Sofia shortly after the conclusion of his round of visits to the neighboring capitals.

The British Minister is in agreement with me that there is every evidence here that Bulgaria's fundamental policy is based on a maintenance of peace in the Balkans. He feels, however, that much of Greek nervousness as to intentions of this country is based on the uncordial relations existing between Italy and England and apprehension lest if there were war in the Mediterranean Bulgaria might attempt to gain through threats or through force an outlet on the Aegean.

Respectfully yours,

Ray A. Peterson
Ray A. Peterson

File 710
RA/MM

4 Carbon Copies
Received *F.P.*

1 copy destroyed
1-17-38
REK

TELEGRAM RECEIVED

REB

This telegram must be closely ~~paraphrased~~ paraphrased before being communicated to anyone. (C)

FROM

SOFIA

Dated March 2, 1938

Rec'd 4:26 p. m.

Secretary of State,

Washington.

4, March 2, 5 p. m.

STRICTLY CONFIDENTIAL.



In the course of an extended interview this morning with the Prime Minister he raised the international political situation in the light of his conversation with the Yugoslav Prime Minister who passed through Bulgaria yesterday returning from the conference at Angora. He said Greece's recent action in granting most-favored-nation treatment to Bulgaria as well as the just completed Balkan pact conversations at Angora and his talk yesterday with the Yugoslav Premier had considerably ^{clarified} ~~the~~ Balkan relations. He stated that the Yugoslav Prime Minister following his conversations in Berlin and Rome fully expected a German-Austro anchluss before next autumn which would be fostered through Austrian Nazi propaganda within that country. (Kiossivanoff himself anticipates this anchluss will be completed much

740.00/308

MAR 7 - 1938

FILED

Confidential File

REB

2-#4, From Sofia, March 2, 5 p.m.

much earlier to enable Hitler to raise the question of German minority in Czechoslovakia when he felt the occasion was right). The Yugoslav Prime Minister said that the Italian Government realized the recent Anglo-Italian demarche was dictated more by political expediency in London than by any change in English convictions and he was convinced that Italy while not desiring the anschluss would not protest its consummation for fear of weakening the Italian-German accord. The Prime Minister gave me to understand that Yugoslav policy would follow Italian Policy in this respect and I inferred Bulgarian policy would not run counter to Yugoslav policy (the attitude will undoubtedly be further determined at the time of the Yugoslav Prime Minister's forthcoming official visit to Sofia). The Prime Minister expressed the conviction that the only Austrian issue which Yugoslavia would actively oppose would be the restoration of the Monarchy or the creation of a Danubian bloc which might be interpreted as indicative thereof.

Speaking very confidentially the Prime Minister deplored

REB

3-#4, From Sofia, March 2, 5 p.m.

deplored recent events in Rumania as predicated
on impulsive rather than on constructive statesmanship.
He considered the present regime as repulsing a
military government and looked for a further crisis
in Bucharest at an early date.

ATHERTON

EMB

NPL

(*)-Apparent omission

TELEGRAM RECEIVED



FROM

FS
This telegram must be closely paraphrased before being communicated to anyone. (C)

Sofia

Dated September 7, 1938

Rec'd 11:08 a.m.

Secretary of State,
Washington.

18, September 7, 11 a.m.

The Prime Minister says that he is optimistic regarding the present central European situation although intimating that Sudeten will remain chronic despite any accepted settlement. He bases his optimism concerning the immediate outlook on the fact that the King after visiting Italy and seeing Mussolini has now gone to England and will proceed to Germany before returning to Bulgaria.

RR

MACVITTY

RECEIVED
SEP 8 1938

760F.62/679

CDG



LEGATION OF THE
UNITED STATES OF AMERICA

No. 150

Sofia, September 16, 1938.

TO
PAID
CASH

Subject: Bulgarian Press Comments on Central
European Situation.

1938 OCT 4 PM 1 53

COMMUNICATIONS
AND RECORDS

DIRECTOR
GENERAL AFFAIRS
OCT 5 1938
File Cue
DEPARTMENT OF STATE

ADVISER ON POLITICAL RELATIONS
MR. DUNK
OCT 7 1938
DEPARTMENT OF STATE

Distribution Instructions

2602
DEPARTMENT OF STATE
ASSISTANT SECRETARY
OCT 8 - 1938
A.M.C.

7507.62/1469

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to enclose translations of editorials appearing in the local press on Hitler's Speech at Nuremberg and Mr. Chamberlain's visit to Berchtesgaden. The tenor of all the editorials reflect the growing fear in Bulgaria of the successes of Hitler's forceful policy, but they are somewhat tempered by implying the Bulgarian desire to regain the territories taken from it by the peace treaties. This thought is stressed especially in the article

entitled

OCT 25 1938

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entitled "Towards a New Europe" in SLOVO of September 15th, which states:

"If there is something new in the spirit prevailing in Europe it is the understanding of the source of all evils and difficulties of the Post-war era. Europe of 1919 is dead. A new Europe, cleared of all injustices committed by the peace treaties must be built up."

It may be mentioned in this connection that in view of the strict censorship of the press in Bulgaria, the attached editorials can be considered as reflecting official opinion.

Respectfully yours,



K. deG. MacVitty,
Chargé d'Affaires a.i.

Enclosure:

Translation of editorials.

File 710
KGM/RWH

(TRANSLATION)

Toward a New Europe

SLOVO, September 16 - The paper expressed the hope that Mr. Chamberlain's courageous initiative will save Europe from a new catastrophe which would only aid the forces of destruction and revolution. 'It seems as if the situation may be viewed more optimistically today, although the situation in Central Europe is still disquieting. The sensation now is the new proclamation of Henlein, by which the leader of the Sudetan Germans openly declares that the Sudetan districts must be attached to Germany. The claims of the Sudetans had not gone so far and, if a conclusion is to be drawn, it is that the events in Czechoslovakia are developing with such rapidity as neither the European powers, nor the Czechoslovak Government, nor even the Sudetans themselves expected. A few weeks ago the Carlsbad program was considered as a maximum and almost unacceptable. Yesterday's proclamation now surpasses them. Is it not an indication that the Carlsbad desiderata should have been accepted, and is not the "Times" right in saying that many of the litigious questions which endanger Europe today should have been solved earlier, before they could produce such an acute crisis? If there is something new in the spirit prevailing in Europe it is the understanding of the source of all evils and difficulties of the post-war era: Europe of 1919 is dead. A new Europe, cleared of all the injustices committed by the peace treaties, must be built up. It is significant that even in France, the greatest supporter of the status quo until recently, influential opinion is being heard in favor of a revision of the situation created after the War. In his speech President Benes admitted very frankly: "We are not the last state in Europe which will have to solve the problem of nationalities. Other states will soon have the same difficulties." From today's news it may be inferred that views have been exchanged between Mr. Chamberlain and Mr. Hitler regarding the initiation of broader negotiations which would solve not only the Sudetan problem, but all other differences in Europe as well. This is the new spirit which the recent events have brought into existence, and which we hope will prevail over the spirit which has existed until now and which has almost led to a catastrophe. If Mr. Chamberlain succeeds in this respect he will be called by future generations "the savior of peace and the creator of a new Europe, a Europe of Justice, confidence, prosperity, and lasting peace."

Mr. Hitler's Speech

SLOVO, September 13, comments as follows on Hitler's speech: 'The maximum of tension since the War was reached at the time of the Party meeting at Nuremberg, where the Fuehrer was to deliver the speech anxiously awaited by the entire world. This speech does not differ essentially from the speeches that Hitler has delivered on various other occasions: it is equally strong, aggressive and energetic. But

has it offered any solution to the Sudetan problem, for which no satisfactory settlement has been reached so far in Prague? Hardly. The Sudetan problem will apparently keep Europe in a state of anxiety. It is true that Hitler is energetic and warns that he will support the Sudetans; but it would be exaggerated to consider that all doors are closed. In spite of everything, the danger of war seems to have diminished, at least somewhat. There is room for negotiations; they will be continued and perhaps by common effort a fatal end will be averted. This for the time being is the most important. The rest depends on human possibilities. This small relaxation gives us hope, although tension remains at the highest point.'

In the same paper, Al. Gantcheff comments on the speech as follows: 'Contrary to general hopes, Hitler's speech did not offer the expected solution. He simply warned that Germany is prepared to support, if necessary, the three and a half million Germans under Czech rule. Hitler did not say, however, what claims exactly he is prepared to support. Hitler did not make a categorical statement for three reasons: First, his desire is that if Germany is to intervene tomorrow, it will be to support a decision taken by the Sudetans themselves, and not by the German Government or by the Fuehrer personally. Such a decision may be formulated only at the (Sudetan) Party meeting on October 10th. At that time armed action would be more easily justified. A second reason is the fact that the line of fortifications on the Franco-German frontier, although now completed in large part, will be definitely finished at the end of this fall, according to Hitler's statement. A third reason is the opinion expressed by the "Times" and commented on by some French papers, that it is time to solve the minorities' problem by means of a plebiscite and the recommendation that this method, recognized by the peace treaties, should be employed in the present case. All these considerations explain why Hitler is keeping Europe in a state of the highest tension during the present dangerous crisis. Thus, the minorities' problem may find a general solution, if those who have won the War have the moral courage to correct their mistakes.'

MIR, September 13: 'It is just to state that Hitler does not contest the existence of Czechoslovakia within her present boundaries. Although he mentions that the right of self-determination must be recognized for the Sudetan Germans, he adds that the dispute must be settled by an agreement between the Czechoslovak Government and the authorized representatives of the German minority. Mr. Hitler does not speak of a plebiscite, but of an agreement between the two sides. Neither did the eight points of Carlsbad ask for a plebiscite. Mr. Henlein himself has never asked, at least openly, for a secession from Czechoslovakia. There is therefore good reason to say that Mr. Hitler's speech, however violent its terms are, on the important question of the preservation of the present Czechoslovakian frontiers, does not say anything that would fundamentally modify the situation. In these circumstances and with probable concessions, which might also be reciprocal, the hope remains

that

that Mr. Runciman's mission may be successful. The important thing for Czechoslovakia is to preserve her present boundaries and to restore internal order as early as possible.'

Mr. Chamberlain's Visit to Hitler

MIR, September 15: 'The contents of Mr. Chamberlain's letter and the unusual manner in which this visit is being made show that there is no time to waste. Moreover, the initiative is being taken by the British Prime Minister, an important personality at all times, but particularly now that he has the mission of maintaining general peace. The fact that two representatives of world powers having opposed concepts, enter into direct and personal contact, neglecting the usual diplomatic channel, shows how tragic the present situation is. The Sudetan German problem has taken on the proportions of a world problem. It no longer is a question concerning Czechoslovakia and her frontiers, but the fate of entire Europe. Nobody is against the equality of rights of minorities in the state; it is important that these rights be obtained by pacific methods without resorting to arms and violence. Wrong or right, the suspicion exists in Western public opinion that Germany is preparing to interfere in an unusual manner to solve the Sudeten conflict. Millions of men under arms, rapid construction of fortifications on the Western frontier, the speeches delivered at Nuremberg, which were not only martial, but did not observe the most elementary politeness with regard to Western countries, Czechoslovakia and her President; all these facts have contributed to create in the Western states the apprehension that some kind of action is imminent in spite of the repeated pacific statements by Mr. Hitler.

'The situation is the more delicate as Germany does not even need to use arms to produce a general conflagration. It is enough that the disturbances in Czechoslovakia continue. Had they been left to themselves the Sudetans could have arrived at their reasonable national claims within the boundaries of present Czechoslovakia. This state was already pursuing a development which was to make her a real Switzerland in Central Europe; such a Czechoslovakia where all the nationalities could coexist freely is a necessity for the world. The disappearance of present Czechoslovakia, a country of reconciliation and progress, would be a terrible misfortune for Europe. On account of her national complexity and of the high cultural level of her population and her leaders, Czechoslovakia is for mankind a field of experiment, where different opinions, different nationalities and faiths can coexist in an atmosphere of remarkable tolerance. This cultural mission of the Czechoslovak Republic was realized by its first leaders who endeavored to make of it a highly cultured country.

'The latest events indicate, however, that the existence of the Republic within its present boundaries is imperiled. The existence of Czechoslovakia within her present boundaries

is indispensable for political equilibrium in Europe. Once she is destroyed or humiliated so as to fall entirely under German influence, all political combinations in Eastern and Southeastern Europe become useless. The cultural and human side of the question is less important at the present time than the question of political equilibrium. It is with this side of the problem that England, France and other states are mainly concerned. It is difficult to prognosticate as to the results of the Chamberlain-Hitler interview. All nations sincerely wish that a solution be found as soon as possible of a state of affairs which, if it is not yet war, is a moral strain on mankind, with the result that it is losing confidence in those who are leading it.'

SLOVO, September 15: 'At this dramatic period of history, London is in the center of events and its initiatives are decisive for peace or war. The paper emphasizes one feature of British policy, which consists in gaining the sympathy of public opinion abroad for its initiatives. Although defending her own interests, Great Britain always harmonizes them with some fundamental ideas, such as peace, democracy, etc. She takes into consideration what currents there are in world opinion and obtains their support. After the War Great Britain never defended at any price the status quo, because the British understand that injustices cannot last forever. For this reason the revision of treaties is sometimes voiced in England. The "Times" has not hesitated to suggest that the Sudetan districts be detached from Czechoslovakia and given to Germany. Part of public opinion in England is in favor of the restoration to Germany of her former colonies. Today Mr. Chamberlain does not hesitate to meet Hitler, but if his effort is not successful, nobody can accuse his country of having failed to do all that was possible to maintain peace. The results of this policy are evident. The Dominions are backing the British Government. More significant is the fact that the United States declares that in the case of a conflict it will be on the side of the Western powers, which is an important diplomatic success for England. Thus British policy has gained the support of the greatest part of world opinion, which sees in Great Britain a protector of peace. Whatever may happen, Great Britain will be in a favorable position and this effort of gaining public opinion is one of the most realistic features of British foreign policy.'

The Idea of a Plebiscite Gains Ground.

ZORA, September 16 - 'There are sufficient indications that the plebiscite demanded by the Sudetans is gaining ground. For Western democracies it is not only a principle which they cannot easily reject, but also a compromise by which the danger of war may be averted. If the plebiscite is accepted in the West after the interview between Mr. Chamberlain and Mr. Hitler, it is not easy to determine how it is to be effected. Who is to organize and carry it out, and under what power is it to be effected? It can be accepted that it is to be organized by the representatives of neu-

tral states. But the power under which it is to take place is the most difficult problem on which Germany, England and France cannot easily come to agreement. If the idea of a plebiscite is gaining ground in the Western democracies, it is being rejected by the authoritative Czechoslovak circles, although these are divided. President Benes and the World War Legionaries form the so-called Maffia, which has held the power since the War, are intransigent, rejecting the idea of a plebiscite. This group, attached to Russia since the days of the War, remains under the influence of that country in the sphere of foreign policy. Russia is pushing Czechoslovakia to be intransigent. The Prime Minister is more inclined to accept the suggestions of the Western Powers and the idea of a plebiscite, naturally under Czechoslovak rule. Mr. Benes' group is dissatisfied with the present Prime Minister and the Mayor of Prague, Mr. Zenkl, has been mentioned as his possible successor. The future course of events will depend on whether the more intransigent or the more moderate group will prevail in Prague. On the other hand, there are the Sudetan Germans with the Reich behind them. Their demands have been fundamentally modified in the last week and have become a simple annexation to Germany. This does not exclude a plebiscite, but the latter must be effected under a Sudetan administration, which cannot be easily accepted by the other side.'



LEGATION OF THE
UNITED STATES OF AMERICA

W. J.
ED
PAID
Amo

No. 152

Sofia, September 21, 1938

Subject: Further Comments by the Bulgarian
Press on the Central European
Situation.

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COMMUNICATIONS
AND RECORDS

W. J.
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760F.62

DEPARTMENT OF STATE
A-M/C
OCT 1 1938
ASSISTANT SECRETARY
OF STATE

ADVISER ON POLITICAL RELATIONS
MR. DUNN
OCT 8 1938
DEPARTMENT OF STATE

The Honorable
The Secretary of State,
Washington.

Sir:

1469

I have the honor to refer to my despatch No. 150 of September 16, 1938, and to enclose translations of articles in the Bulgarian press during the last two days concerning the present situation in Europe. These recent articles emphasize the gradual recognition by the Western Powers of the necessity of general revision of the peace treaties in accordance with the principle of nationalities, as the only possible settlement, which would be truly enduring.

However

OCT 25 1938
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However, while the principle of revision is quite naturally lauded, in the light of Bulgaria's own minorities claims, as yet not strongly voiced, it may be observed that particular stress is laid upon the solution of Europe's outstanding problems by pacific means. At the same time a certain anxiety is discernible with regard to Germany's advance towards Southeastern Europe. It is generally conceded that Germany's demands in connection with the Sudeten Germans will probably be satisfied, owing to the country's strength and the firmness of Hitler. The hope is then expressed that the fundamental principle of nationalities will be applied with equal justice in the case of smaller and weaker nations with minorities under foreign rule.

Respectfully yours,


K. deG. MacVitty,
Chargé d'Affaires a.i.

File 710
KEM/RWH

Enclosure:

Translation.

(Translation)

The Peace Treaties and the Events in Central Europe.

MIR, September 19 (V. Velitcheff): The Czechoslovak crisis is but a phase in the general European crisis since the peace treaties, which failed to establish a lasting peace and created latent possibilities of disturbances by ignoring the natural rights of the nationalities. As long as these dangerous spots exist, the crisis in Europe will take an acute form from time to time, according to circumstances and events. The most dangerous of these problems is the situation of minorities placed under foreign rule. The fact that this danger has taken a most acute form in the country which has been most tolerant to minorities, shows the importance for Europe of the problem of minorities. If this happened in Czechoslovakia earlier than elsewhere, it is because a strong power of the same nationality is interested in the fate of the Sudeten German minority, the largest in Czechoslovakia. It would be a mistake to believe that the absence of such a power in other cases is a guarantee of tranquility, if other countries fail to find a reasonable solution of their minorities' problem. Nobody could foretell the dangers which may ensue.

Impartial persons, even among those who established the post-war situation in Europe, have foreseen the dangers and recommended as an only solution the pacific revision of the peace treaties. This idea was objected to the most strongly by the statesmen of the most favored nations. One of them, whose name is no longer heard in Europe, declared most categorically that a revision of treaties would mean war, a statement which was disproved by former President Masaryk. The events have proven that the contrary of this statement is true: that the maintenance of the peace treaties may mean war. The spirit and the letter of the treaties are gradually changing under the pressure of life and events. This happens, however, with unceasing disturbances and anxieties for Europe, which could have been and can be averted by a general revision of the unfortunate decisions of the Paris Conference. It seems as if the dangerous crisis in Czechoslovakia has brought around to this idea the representatives of the Western Powers, in whose hands rests the establishment of a real and lasting peace in Europe. The suggested idea of a Four Powers' conference, which would not only solve the present crisis, but also consider a new organization of Europe, is nothing other than the adoption of the idea of a general revision of the peace treaties. The small and unjustly treated nations expect with great hope that this idea may become a reality.

MIR, September 20 (A. Nikoloff): In the name of the principle of nationalities Germany insists on an improvement in the situation of the Sudeten Germans. On account

of the well known firmness of the German leader, his demands will probably be satisfied and thus the principle of nationalities will be emphasized. If this principle is proclaimed today with regard to the Sudeten Germans only, it is because strong Germany is in a position to raise claims. There are, however, other parts of the world, which must be reminded of the same principle. Mankind will be gratified if, after the pacific solution of the German-Czechoslovak dispute, the statesmen recognize that the principle of nationalities is a vital necessity for the development of peaceful international relations. The effective application of that principle wherever else conditions call for it, would mean an important step forward.

SLOVO, September 20: The sacrifices which are demanded from Czechoslovakia mean a revision of the German-Czechoslovak frontier, and the Franco-British plan gives an indication as to the methods and scope of such a revision. How this new situation will be viewed in certain circles, how it will affect the balance of powers in Central Europe, what are to be its results for the future development of German policy in South-eastern Europe: all these problems will keep the statesmen busy for some time to come. The fact must be emphasized, however, that today by general recognition the revision of treaties is the means to save us from a new and catastrophic war. Not long ago the word "revision" was considered a dangerous heresy: "revision means war" it was declared and some countries announced that they would oppose by "all means" any attempt at a revision. Today this point of view is entirely forgotten and will remain in the archives of history as an example of how international problems must not be solved. When, years ago, some sound and reasonable minds warned that a pacific revision alone might avert the dangers of war, certain states paid no attention to these warnings. Europe had to face a most dangerous crisis, which might cause at any time a general conflagration, to understand the simple truth that lasting peace may be achieved only when the relations between the states are based on justice, confidence and friendship. We can only be pleased that the principle of a pacific revision of the peace treaties has prevailed in a disturbed Europe.

In another article in SLOVO: A new general war would be particularly unfortunate for the small nations. For this reason, their supreme interest is to contribute to a pacific settlement of the disputes which have arisen. Whatever their fate has been since the World War, today their place is at the side of those who are working sincerely and firmly for peace, i.e., for the pacific settlement of the problems which risk bringing about a new world conflagration.

TELEGRAM RECEIVED

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1-1204

FROM

EG
This message must be
closely paraphrased be-
fore being communicated
to anyone. (C)

Sofia

Dated September 24, 1938

Rec'd 10:20 a.m.

Secretary of State,
Washington.

19, September 24, noon.

DIVISION OF
EUROPEAN AFFAIRS
SEP 26 1938
DEPARTMENT OF STATE

In view of present European situation the calmness
of Bulgaria is especially striking. I have been
officially informed that despite any contingency the
Bulgarian Government will undoubtedly follow a *policy*
of strict neutrality, however no official announce-
ment as to policy is being contemplated by Bulgarian
Government for the present.

MACVITTY

DDM:CSB

(*) Omission

760F.62/1054

GDG

SEP 27 1938
FIELD

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TELEGRAM RECEIVED

EG

This message must be closely paraphrased before being communicated to anyone. (C)

FROM

Sofia

Dated September 28, 1938

Rec'd 9 p.m.

Secretary of State,
Washington.

RUSH

23, September 28, 6 p.m.

STRICTLY CONFIDENTIAL



The Prime Minister received me this afternoon, delaying his departure to join the King at the autumn maneuvers. Immediately he stated that he welcomed the opportunity to inform me with what pleasure the Bulgarian Government had read of the President's suggestion for an international conference to discuss many questions of world inequality; that Bulgaria, as indeed he felt, most of the Balkan States were anxious for an adjustment of the present critical situation through peaceful methods and in any case that Bulgaria's position would be one of strict neutrality.

I then expressed my appreciation of his making it possible to receive me and stressed the urgency of the message I was about to deliver. I then conveyed to him the substance of your instruction received today. In reply he referred to King Boris' return to Sofia

late

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OCT 1 1938

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Confidential File

-2- #23, September 28, 6 p.m. from Sofia

late last evening and said that he had spent the day with him discussing the King's visits to Italy, Paris, London, Berlin (?) THE Prime Minister said that before the King's departure from London he had conferred with the Government there as to his intention to visit Berlin and it was with the knowledge of British officials that during his time in Berlin last weekend the King had interviews with Hitler, Goering and Ribbentrop in which conversations he had emphasized the penalties the whole world must pay if the present crisis was not settled without resort to force.

The Prime Minister assured me that the King had also made a strong plea to his many other contacts in Berlin.

In view of this fact the Prime Minister felt that any further appeal to Hitler would only weaken the King's personal and earnest act. Indeed, he said that since the basic question in dispute was one of treatment of minorities, in which general question Bulgaria itself had concern, it would be doubly delicate.

In conclusion he referred to the intricacy of Yugoslav political situation and the general feeling of

defence

-3- #23, September 28, 6 p.m. from Sofia

defence in Rumania; but he was personally convinced that both these states would endeavor to maintain strict neutrality upon which the position of Bulgaria may ultimately depend.

ATHERTON

RR:CSB



LEGATION OF THE
UNITED STATES OF AMERICA

No. 160

Sofia, October 18, 1938.

EU
DAD
AE

Subject: Bulgaria after the Munich Conference.

CONFIDENTIAL

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DEPARTMENT OF STATE

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Rating	Distribution & Instructions
Grade for	<i>MID in confidence</i>

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DEPARTMENT OF STATE

10 11 AM 3 NOV 8 1938

DIVISION OF
COMMUNICATIONS
AND RECORDS

ASSISTANT SECRETARY OF STATE
NOV 17 1938
MR. BERLE

NOV 21 1938

ADVISER ON POLITICAL RELATIONS
Mr. Dunn
NOV 10 1938
DEPARTMENT OF STATE

760F.62/1799

The Honorable
The Secretary of State,
Washington.

NOV 5 - 1938
DIVISION OF
NEAR EASTERN AFFAIRS

Sir:

I have the honor to report the profound impression made here by the decisions of the Four Powers reached at the Munich Conference. All through August and September the Czech crisis had made Bulgarian opinion turn again to the minorities question, in which Bulgaria is so vitally concerned. As German theses in international conversations developed and Hitler stressed self-determination for German, Polish and Hungarian minorities in Czechoslovakia, so

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DEPARTMENT OF STATE
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NOV 24 1938
ASSISTANT SECRETARY
OF STATE

Bulgarian

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Bulgarian hopes rose that eventually the Dobrudja and the Aegean Coast might somehow come up for discussion in a general settlement of the question of racial minorities. This country has since the War regarded French foreign policy as most inalterably opposed to any treaty revision in favor of Bulgaria; therefore, M. Daladier's acquiescence in the new plans for the determination of minorities in Czechoslovakia was hopefully noted.

There has been little sympathy in this country for Czechoslovakia in its present plight. Bulgarians do not forget that when these fellow Slavs were, so to speak, on the crest of the wave in 1919 - 1920 and Bulgaria was at her post-war depths, no helping gesture or expression was forthcoming, and Benes on the contrary was outstanding against treaty revision. I
1/ venture to enclose as of interest to the Department two caricatures from outstanding Sofia papers, by chance appearing on the same day. One is deriding Benes and the other Titulesco, both of whom in the Bulgarian mind were hostile to treaty revision and, so, inimical to the minority interests of this country.

In the Legation's telegram No. 16 of August 5, 9 a.m., 1938, reference was made to a French credit granted to the Bulgarian Government, which I have since learned was not made at the suggestion of the British, as originally understood, but because direct representations had been made by Prague to Paris, pointing out the necessity of counteracting German

economic

economic predominance in the Balkans. It appears, however, that French costs are so high that none of this credit has been used, and secondly, the French action has been generally interpreted as an attempted *baksheesh* and has created rather an unfavorable reaction than otherwise.

I venture to point out that the British credit, referred to in my despatch No. 118 of July 19, 1938, seems increasingly remote, especially since my British colleague explained that during his stay in London the Inter-departmental Committee was finding it difficult to establish any basis for a loan to Bulgaria, which would be acceptable to Parliament.

Meanwhile, events since the Munich Conference are being interpreted in these Balkan countries as indicating that German policy, unhampered by the Western democracies, will push for closer economic relationships with Southeastern Europe. I lay stress on the word "economic" in view of the fact that in several conversations with my colleagues here, the belief has been expressed that Germany intends to respect the sovereign integrity of these countries, while binding them through economic measures such as preferential tariffs with possible customs unions. German policy in Southeastern Europe is being carefully interpreted in view of the following recent steps:

1. Germany's statement of her desire for strengthening her economic and cultural relationships with Czechoslovakia, once the alliance with Soviet Russia

has

has been broken and those Czech leaders regarded as inimical to Germany eliminated;

2. the reported recent request by Germany for a customs union agreement with Hungary;

3. the visit of Dr. Funk to Belgrade with the reported terms of closer commercial and economic liens, and the establishment of credits;

4. Dr. Funk's visit to Ankara, which likewise is reported here as successful, with the negotiation of closer commercial ties and new credits;

5. Dr. Funk's visit to Sofia where, I understand, he completed no definite agreement, in view of the large proportion of Bulgarian produce already absorbed by Germany. He did, however, lay down certain commercial aspects for study, which are to be the basis of later negotiations. His statement to the local press representatives is as follows:

"My visit to the Balkans has been commented on in the foreign press; some of the comments were good, others were less reasonable and do not agree with certain things which have been emphasized in the foreign press. Germany stands for the freedom of the Balkans. The purpose of my visit is not to place any of the Balkan states in any kind of dependence on Germany. The methods I am using on this tour of the Balkans consist only in better utilizing the old economic connections between Germany and Southeastern Europe. In the present state of commercial relations between Germany and these states, we cannot speak of any dependence of the latter on the Reich. We could do so if these relations were artificial; instead of this, they are most natural. No reasonable economist could deny today that there exists between the North Sea and the Black Sea one economic area; it is divided, however, into many national economies. In my offers to the states of Southeastern Europe I have pointed out that there exist many economic potentialities which might be utilized by Germany as well as by the Southeastern states themselves. Germany is

prepared

prepared to help in the development of mineral and agricultural resources and thus increase the purchasing capacity of the Southeastern states; you will be able then to buy more from us and we shall buy more from you. We are also prepared to help these states by long term commercial credits, in order that they may utilize better their mineral and agricultural resources and get a larger profit from their exports. For this purpose, we have already offered a credit of 150 million marks to Turkey, which she will utilize for the exploitation of her resources. Commercial credits of this kind are preferable to credits in foreign exchange, which would bring about a deflation and represent a pressure on the country. We are using a different method which is useful both to us and to the states of Southeastern Europe.

"Germany and the states of Southeastern Europe are connected by a natural link - the Danube. Vienna will become the largest transit port; the Main-Danube Canal will form one waterway from the North Sea to the Black Sea and will augment the economic possibilities of the Southeastern states. It will not only facilitate the transit between Central Europe and the Balkans, but will also enable the Balkan states to export their products to more distant markets.

"We are not afraid of any competition for two reasons: first, because our position in Southeastern Europe is so strong and stable that it cannot be surpassed by any other country. In the second place, because no other country has the ideal connections we have with the Balkans.

"In my conversations in the Balkan states, I am endeavoring to improve the economic relations between Germany and Southeastern Europe; we have some more distant projects such as the improvement of the means of communication: roads, new steamship lines, new railway lines, better post connections, etc.

"Finally, we have a new situation in Central Europe after the events in Czechoslovakia. This country, through the Sudeten districts, had a lively trade with the Balkan states. The Sudeten district was the most important section of Czechoslovakia. It is now part of the Reich and, consequently, our share in your foreign trade will be larger. The economic structure of Czechoslovakia is fundamentally modified; a large part of her coal mines and iron mines belongs now to Germany and Poland. Henceforth, Czechoslovakia will be an agricultural country only.

"The recent events in Central Europe have

given

given a new impetus to world economy. We must regret, however, that the effects of the world depression of 1931 have not been overcome yet and that the old methods have not been abandoned. The important factors now are no longer the problems of foreign exchange, credits, etc., but the problem of how to increase the production and the foreign trade. From this point of view I am proud to declare that trading between Germany and the Southeastern states has the best prospects for a normal development. I am convinced that my visit to the Balkans will contribute toward a real development of economic possibilities. The economic problems between Germany and the Balkans are today clearer than ever; if they are carefully studied, we can have but satisfactory results."

On October 18th, returning from the Balkans to Berlin, Dr. Funk made the following press statement:

"Yugoslavia, Bulgaria and Turkey form a special economic axis which extends from the German frontier to the Black Sea. These three countries possess important economic resources which have not been fully utilized so far. They could begin to produce all the agricultural products in which Germany is most interested. Our desire is to establish our economic relations with these countries on the basis of long term contracts, so that the producers may count on stable prices. The Danube represents in Southeastern Europe an economic area from the North Sea to the Black Sea. From the Southeast and Asia Germany will have everything she needs."

(It may be noted that in no case does Dr. Funk mention Rumania specifically).

I may add that there is a general belief here that Germany will now undertake an aggressive policy looking to the return of her colonies lost in the War (Tanganyika being the one on which she will lay most stress).

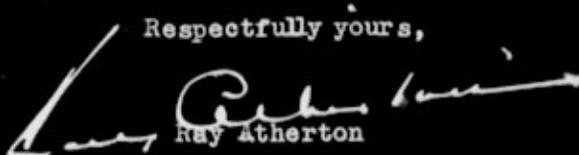
In the present situation it may well be asked what will be Bulgaria's future policy. Undoubtedly Bulgaria, with those other neighboring countries which have strong economic dependence on Germany,

realizes

realizes there is nothing to be gained by a policy of hostility to further German economic encroachments. The most that these small nations of South-eastern Europe can hope for is to negotiate a settlement of their own differences, preparatory to meeting German encroachments as a bloc rather than as individual countries. The accord signed at Salonika last summer, reported in the Legation's despatch No.127 of August 3, 1938, was a step in this direction. Meanwhile, these governments are closely following the rearmament measures being taken by France and England, and there is a decided hope that in time Europe may return to equilibrium through a balance of power, which would prevent domination of Southeastern Europe by Germany beyond those methods of economic penetration, which for want of other markets for their particular produce they are forced to accept.

In the past week considerable attention was evoked in Sofia by the recall for consultation of the Bulgarian ministers in Berlin, London, Rome, Athens, Belgrade, Ankara and Budapest. It is understood that on the basis of this exchange of views a coherent policy is being worked out to guide Bulgaria through this period of troubled international waters.

Respectfully yours,


Ray Atherton


Enclosures:

1a & b. Two caricatures.

File 710
RA/RWH



No. 182

LEGATION OF THE
UNITED STATES OF AMERICA
Sofia, December 5, 1938

~~EU~~
RAB
JME

Subject: Foreign Policy of
Mr. Kiosseivanoff.

Copy in [unclear]
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DIVISION OF
EUROPEAN AFFAIRS
JAN 5 1939
[Signature]
DEPARTMENT OF STATE

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ADVISED BY POLITICAL RELATIONS
MR. BURN
JAN 10 1939
DEPARTMENT OF STATE

The Honorable
The Secretary of State,
Washington.

UNDER SECRETARY OF STATE
JAN 14 1939
MR. WELLES

Sir:

I have the honor to refer to the Legation's des-
patch No. 176, of November 29, 1938, reporting that
the Prime Minister had made a statement on foreign
policy before the members of the Committee on Foreign
Relations of Parliament and that although Mr.
Kiosseivanoff's remarks were confidential and were not
made public, the Legation understands that the digest

of....

JAN 24 1939

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DEPARTMENT OF STATE
JAN 10 1939
ASSISTANT SECRETARY
OF STATE

of his remarks contained in that despatch was accurate in substance.

The position taken by Bulgaria since the war has consistently been that Bulgarian claims must be satisfied before any general settlement can be reached in the Balkans, and that this is also the policy of Mr. Kiosseivanoff there can be no doubt. As shown in the above-mentioned digest, the Prime Minister was not explicit, but reading between the lines and interpreting what he did say in the light of recent events, it would appear to be Mr. Kiosseivanoff's immediate policy to strengthen the Belgrade-Sofia-Ankara diagonal as much as possible. It will be recalled that in his statement to the Committee he emphasized the pacts of eternal friendship with Yugoslavia and Turkey and though he made a conventional reference to solving pending problems with Greece and Rumania, Bulgaria's eastern and western neighbors were put in a distinctly different category from those of the north and south. This is a logical step following upon the pact of friendship with Yugoslavia and obviously tends to split the Balkan Entente from east to west.

It will also be recalled that he said Bulgaria would not raise any claims in neighboring countries on the "rights of minorities". This is presumably due to the fact that raising such a question would be wholly unacceptable to Yugoslavia, whose aid is necessary to Bulgaria, and since this would also give Turkey an opening

to....

to raise the question of the 600,000 Turks living in Bulgaria. Mr. Kiosseivanoff said that in dealing with neighboring countries, he prefers to stress the "legitimate rights" of Bulgaria, by which it is assumed he means the return of former Bulgarian possessions, such as the Dobrudja and possibly western Thrace. This formula, it should be noted, would presumably be agreeable to Yugoslavia in that it tacitly excludes Macedonia, a territory which, except in the dim past, has never been integrated under Bulgarian administration. On the other hand, this formula could be used as an argument to obtain the return to Bulgaria of her former western frontier territories transferred to Yugoslavia at the end of the Great War.

Another argument which Mr. Kiosseivanoff said should be stressed in dealing with neighboring countries is the "economic needs" of Bulgaria. It is assumed that by this he had particularly in mind the question of an outlet to the Aegean where there is no longer a Bulgarian minority owing to the transfer of populations after the war and, therefore, where the minority argument could not be used effectively. The formula of "economic needs" could also be used as an argument for the return of the Dobrudja which, before its transfer to Rumania, was the principal granary of Bulgaria.

In his statement to the Foreign Affairs Committee Mr. Kiosseivanoff made it clear that he realized that he was dealing with an essentially authoritarian world in which it was more important to approach the ruling powers than to attempt to impress foreign public opinion

with....

with Bulgarian claims. He urged caution, and from the restraint and discretion which he has always used in handling foreign affairs, it can be assumed that it is his policy to raise these problems gradually and when convenient opportunities are offered, with the support of Yugoslavia and Turkey if this is obtainable. In this relation it should be mentioned that the present Government is fully aware that any unilateral action, which Bulgaria might take with a view to satisfying her territorial claims, is not only bound to meet with failure, but would prejudice her case in the future.

Thus, Bulgaria does not intend to ape the "minority" arguments used by Germany and Hungary. This, it should be noted, does not necessarily mean that the "minority" claim as such may not be advanced at some future time, but as has been emphasized by both the King and the Prime Minister in private conversations, "Bulgaria will not initiate any question that would gain her merely the ill-will of the Powers and neighboring States. Bulgaria's rôle will be rather to work with other nations for peaceful solutions of all problems, making clear, however, the reasons for which she does not accept the status quo, in the hope that at some future international conference Bulgaria may state her case before an unantagonized assembly."

Respectfully yours,

Ray Atherton

4
File 710
HM/MM



LEGATION OF THE
UNITED STATES OF AMERICA
Sofia, December 12, 1938

No. 185

EU
PAD
Raye

Subject: Bulgaria and the "Drang nach Osten."

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DIVISION OF
EUROPEAN AFFAIRS
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DEPARTMENT OF STATE
JAN 5 1939

MID
ONI
in confidence
JAN 17 1939

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to submit the following notes on Bulgarian foreign policy.

Needless to say, Bulgaria constantly is aware that she lies in the direct path of Germany's classic "Drang nach Osten" through Yugoslavia to the Straits and the Persian Gulf. The concern lest Germany was actively preparing the ground for the fulfillment of this ideal has been progressively increased by every German move in Central Europe from the Anschluss to the conference at Munich.

Economically, the German "Drang" as far as the Black Sea is now accepted by Bulgarians as an accomplished fact, which they can see no immediate means of combating.

ASSISTANT SECRETARY
OF STATE
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combating. They hope, nevertheless, that Germany will be content with this economic dominance in the Danubian area and the indirect political influence which this brings with it, and they trust that Germany will not aim at actual sovereignty. While this is wishful thinking, Bulgarians are inclined to believe that Germany, at least as long as Hitler remains in power, will see that it is not in her own interest to attempt to achieve direct political domination of the Balkans. Though this belief is fairly widespread, and German propaganda is trying hard to reassure Bulgaria on this score, a number of informed Bulgarians fear that the German economic dominance, to which they are resigned, may lead to Bulgaria's political subservience, especially when Hitler is succeeded. They are examining, therefore, the chances and means which Bulgaria may have to escape German hegemony.

By the recent Salonika convention Bulgaria has, for the time being at least, affected a slight rapprochement with the Balkan Entente; or to put it in another way, the convention marked the obvious need for a Balkan rapprochement for mutual protection against the rising tide of German influence which surged eastwards after the Anschluss. In this relation it will be recalled that as reported in the Legation's telegram No. 29, of November 10, 4 p.m. the Yugoslav Prime Minister undertook at Nish to broach in the Balkan Pact capitals the question of extending the economic benefits of the Pact to Bulgaria to further a consolidated Balkan economic program.

Bulgaria has of course not escaped the rearmament fever, as evidenced by the unanimous authorization by the Sobranje of fifty million dollars for arms, an enormous...

enormous sum for this country. But it is fair to assume that Bulgaria, a poor country with an excellent but small army surrounded by suspicious neighbors at whose hands she has suffered grievously in the past, has no belligerent intentions for the immediate future; though of course she does not accept the status quo and on the long view she will not be really satisfied until the various "irredenta" are returned to her.

The only recent Bulgarian official pronouncements on foreign affairs have been those of the Prime Minister which were couched in general terms and along conventional lines, though Mr. Kiosseivanoff's last statement on the subject, discussed in the Legation's despatch No. 182, of December 5, 1938, gave some indication of the trend which Bulgarian foreign policy may take. It may be doubtful whether, in the fluid state of Europe, the Bulgarian Government has been able to formulate a clear-cut policy. However, one is tempted to speculate concerning the lines upon which Bulgarian policy might develop given the considerations touched upon in the preceding paragraphs, and should Germany's "Drang nach Osten" continue unabated.

Since, as seen from Sofia, there is no immediate prospect that the "Drang", in one form or another, will be stopped by the intervention of the Great Powers, Bulgarians may very well come to the conclusion that the next best thing would be to try to divert it into less dangerous channels. The collapse of Czechoslovakia has, of course, focussed attention on the corridor which that country affords to Rumania and thence to the

Ukraine.

Ukraine. Furthermore, the make-up and, in some respects, the position of Rumania, bears an ominous resemblance to that of Czechoslovakia. Of Bulgaria's neighbors, Rumania is certainly the one she now dislikes the most and since she is always hoping to regain the Dobrudja, Bulgaria would be glad to see Rumania suffer a fate similar to Czechoslovakia provided it could be kept within reasonable bounds and not lead to the domination of Rumania by Germany -- or Russia, for that matter.

Therefore, given these considerations, it is perhaps not unreasonable to assume that Bulgaria will continue to draw closer to Yugoslavia and Turkey, her two vigorous and martial neighbors. All three of these countries have, to a greater or less extent, an interest in diverting the "Drang", if it must come at all, to the north of the Danube, and should Bulgaria be successful in consolidating this new group they will presumably tend to draw away from Rumania, leaving her isolated unless some new or dormant influences make themselves felt. It would seem, furthermore, to be in the interest of these three powers to remain neutral at almost all costs in case of war, at least until the outcome is clear. And when and if the time comes for Rumania's crisis, they will, with even less compunction than the western powers in the recent Czechoslovak crisis, wash their hands of Rumania.

I would point out that the foregoing observations are pure speculation, treat of but one aspect of

Balkan....

Balkan politics as seen from Sofia, and are based on the contingency that future events will take a more or less prescribed course -- an unlikely contingency, especially since Russia's position is difficult to foresee. This despatch, therefore, is merely intended to indicate some of the factors which Bulgaria may take into consideration in formulating foreign policy.

Respectfully yours,

Ray Atherton
Ray Atherton

File 710
HM/MM

4 carbon copies
Received ... *[Signature]*

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TELEGRAM RECEIVED

CA

This telegram must be closely paraphrased before being communicated to anyone (C)

FROM SOFIA

Dated February 27, 1939

Rec'd 5:15 p.m.

Secretary of State

Washington

7, February 27, 10 a.m.

file
for
file
FEB 28 1939
DIVISION OF
NEAR EASTERN AFFAIRS

DIVISION OF
EUROPEAN AFFAIRS
FEB 28 1939
DEPARTMENT OF STATE

STRICTLY CONFIDENTIAL.

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The Prime Minister said upon my return on Thursday from the London Wheat Conference that he would take occasion during the weekend for an exchange of views (my telegram No. 3, January 23, 3 p.m.) In his resume he stated that he viewed the European situation with somewhat more confidence than a month ago in that he has been notified that German enthusiasm for a military undertaking had somewhat abated.

One. In the first place President Roosevelt's firm stand has greatly impressed Germany and the importance of this policy in reinforcing the weight of the democracies in Europe cannot be exaggerated.

Two. Hitler realized today that a war in the west was now a serious venture which even if won would accomplish none of the ends essential for an economically independent Germany.

Three. Hitler had never made a mistake in his foreign policy and there was little probability that he would risk

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material aid in supporting Mussolini in his present ill-conceived demands against the French. Likewise Italian foreign policy under Ciano had failed notably in building up a bloc with Hungary and Yugoslavia. (However, until the Spanish situation has been completely liquidated, Mussolini in the opinion of the Prime Minister still is a menace to the peace of Europe).

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Four. As regards the Ukrainian adventure this had been postponed in view of the internal situation in Germany and especially since Hitler had failed to reach an agreement with Poland on this question. See my telegram No. 3. Also the Prime Minister felt that Germany was now more hesitant as to whether a Soviet threat had not been underestimated.

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The Prime Minister repeated his former statements as to his apprehensions over repercussions in the Balkans of the German economic situation. His immediate policy, however, will be to continue armament purchases in Germany because of the high valuation of the lev in the clearing agreement but make every effort henceforth to reduce Bulgarian exports to Germany. He pointed out that although the situation has not changed since my despatch No. 202 of January 24 he continues to be hopeful of results from discussions with the British concerning commercial credits and regrets that

negotiations

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--3--7 from Sofia..

negotiations with the French have momentarily been ineffectual.

He considered the fall of Stoyadinovic a personal loss but said there would be no fundamental change in relations with Yugoslavia. He said that the alleged issue on which the new Prime Minister had taken office was no more possible of favorable settlement now than before particularly in view of the hostility of the Serbian army to any consideration of the Croatian desire for federalization.

The trip through Bulgaria of the new Turkish Minister for Foreign Affairs had given the Prime Minister the chance for an interview with Mr. Saracoglu before the opening of the Balkan Entente conference at Bucharest. In reply to his question as to Bulgarian adherence the Prime Minister made a very frank statement that Bulgarian opinion would not permit of adherence to the pact in its present form but he was willing to envisage a new entente formula between now and 1941 which might permit of Bulgaria's entry or failing that negotiating a settlement of bilateral agreements such as he had signed at Salonika last July. For this reason the Prime Minister said he was very pleased that Yugoslavia and Turkey had rejected some of the Rumanian-Greek proposals such as an engagement two years ahead to renew the pact in its present form for a further five years after its expiration in 1941.

or to

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--4--7 from Sofia..

or to make representations at Sofia against Bulgarian popular demonstrations over minority problems. From these points of view the Prime Minister considered that the political discussions at Bucharest were perfunctory and that Yugoslavia and Turkey had expressly not debarred further consideration of the Bulgarian attitude. He stressed the purely political significance of the course at the beginning and the fact that in economic questions raised in Bucharest, Bulgaria had expressed her complete willingness to cooperate. He then dwelt with satisfaction on the cordiality that existed between Belgrade, Sofia, and Ankara and told me that Bulgaria's independence and peaceful policy would remain unchanged especially by the army now it had the complete support of Parliament.

ATHERTON

NPL EMB



LEGATION OF THE
UNITED STATES OF AMERICA

No. 229

Sofia, April 17, 1939.

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PAID
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Subject: The international situation
and Bulgaria's future.

copy to
DIVISION OF
EUROPEAN AFFAIRS
MAY 3 1939
DEPARTMENT OF STATE

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Grade for	

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MAY 2 1 50 PM

DEPARTMENT OF STATE
JUN 6 1939
DIVISION OF
NEAR EASTERN AFFAIRS

ANALYST OF POLITICAL RELATIONS
MR. DUNN
MAY 15 1939
DEPARTMENT OF STATE

DEPARTMENT OF STATE
MAY 18 1939
ASSISTANT SECRETARY
OF STATE

Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to refer to my telegram No. 20,
of April 15, 11 a.m. reporting a conversating with the
Prime Minister, one or two points of which are enlarged
upon in the following peragraphs.

In that conversation I enquired whether coupled
with Mr. Chamberlain's military guarantee to Rumania,
any steps had been taken at Bucharest to persuade Rumania
to make territorial concessions to Bulgaria either now or
at some more feasible future time. As reported in my
telegram...

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telegram under reference, the Prime Minister stated that no such démarche had been made and added that in one stroke Mr. Chamberlain guaranteed the independence of Rumania and Greece, the two countries from whom Bulgaria sought territorial adjustments. The Prime Minister then read to me a translation of an editorial in Mr. Gafencu's newspaper in Bucharest, which stated, in part, that Mr. Chamberlain's declaration should appease Rumania's neighbors and showed that "sincere and friendly relations are more useful than the unrealizable fancies and the incomprehensible desire to revive the injustices of the past which are forever destroyed." Thus, said the Prime Minister, Mr. Chamberlain's statement had shattered Bulgaria's hope of persuading Rumania to concede territory in the Dobrudja. The Prime Minister said that all Bulgaria wanted was Southern Dobrudja, which was taken from her in 1913; and an outlet on the Aegean. Bulgaria did not want the whole of the Dobrudja, though it was ethnically a Bulgarian province before Bulgaria obtained her independence. Southern Dobrudja had no strategic value whatever and produced less than 1 per cent of Rumania's wheat; but this was equal to 16 per cent of Bulgaria's wheat. It had been given to Rumania on the grounds that the balance in the Balkans had been upset by the territory which Bulgaria had acquired from Turkey after the first Balkan war. Since then Rumania had increased from a country of 5 to 18 millions and such an argument no longer carried any weight.

In.....

In talks with the British Minister and members of his staff, certain observations were made which supplement those of the Prime Minister contained in the telegram mentioned above. I was informed that since last summer the British Minister has been trying to convince the British Foreign Office of the wisdom of helping Bulgaria, at least economically, before it was too late. The British Foreign Office had consistently held to the view that since Bulgaria was completely surrounded by the Balkan Entente countries and could, therefore, do no harm, it was not absolutely essential to help her financially or economically. I was also informed that the British Foreign Office declined to approach Rumania regarding territorial concessions in favor of Bulgaria.

One official of the British Legation told me that in his opinion the least the British Government should do was (1) urge the return of Southern Dobrudja; (2) grant Bulgaria a credit of about a million pounds "without strings"; (3) assure Bulgaria of other markets than Germany; and (4) assure Bulgaria of the raw materials for which she is now dependent on Germany. Even if all of this could not be granted, he believed that Great Britain should give something immediately, if only to strengthen Mr. Kiosseivenoff's hand, since should he fall, he would in all probability be followed by a Prime Minister more disposed to comply with German demands. My colleague also said that as late as March 30 last, the British Foreign Office replied to Mr. Rendel, declining to follow his suggestions. A week later, when Albania

was....

was occupied, the British Minister received a telegram referring to the "altered" situation and requesting suggestions. I was given to understand that a reply somewhat along the lines of the recommendations outlined above was sent to London about April 10. On April 13 Mr. Chamberlain announced Great Britain's guarantee to Rumania and Greece and on the following day, as mentioned above, the Bulgarian Prime Minister informed me that this had ruined Bulgaria's chances of an adjustment of the Dobrudja question. It will also be recalled that the Prime Minister stated that the British Minister had made no offer to help Bulgaria.

In a talk with the British Minister today, I enquired whether, in connection with Mr. Chamberlain's guarantee to Rumania, any consideration had been given to urging Rumania to promise, eventually at least, to make territorial concessions to Bulgaria. Mr. Rendel replied that this guarantee to Rumania had apparently been made as an instrument of Anglo-French policy and in the greatest haste, and it would seem that there had not been sufficient time to give consideration to the purely Balkan aspect of the question.

As regards the position of Bulgaria in case of a world war, Mr. Rendel, like most of my colleagues, said that despite Bulgaria's anti-German feeling, the most that could be hoped is that Bulgaria might be able to remain neutral; but this, he feared, could not last very long unless the axis should suffer severe reverses. He thought that Bulgaria would never become an ally of the axis.....

axis while Mr. Kiosseivanoff was Prime Minister, and even went so far as to state that he believed the King would abdicate should Bulgaria abandon her neutrality in favor of the axis powers.

As to Mr. Rendel's observation regarding Mr. Kiosseivanoff, it seems unlikely that the question would arise, since the Prime Minister would presumably have been forced out of office by then. In this relation, I understand that Marshal Goering recently told Mr. Draganoff, the Bulgarian Minister to Germany, in no uncertain terms that Germany disapproved of Mr. Kiosseivanoff's "equivocal" policy.

While it is premature to speculate on such a contingency, and any discussion must be pure speculation, Mr. Rendel's remark regarding the King is interesting and invites examination. King Boris possesses political acumen in high degree and has weathered severe storms before now. He has always displayed the strongest sense of loyalty toward his subjects and responsibility for their well-being, and must know that, come what may, he would be their best spokesman abroad. Therefore, if Bulgaria is subjected to overwhelming pressure from Germany, it seems more likely that unless he should have to abdicate, the King would let the tide of events sweep over Bulgaria in the hope of sparing his country as much as possible. Thus, when the flood recedes, he might still be there to look after Bulgaria's interests. And should the western powers win, the King could make out a good case of force majeure.

Respectfully yours,

W. L. Millard
Chargé d'Affaires a.i.

ML

TELEGRAM RECEIVED

GRAY

Sofia

DIVISION OF
 EUROPEAN AFFAIRS
 APR 22 1939
File in
 DEPARTMENT

FROM Dated April 21, 1939

Rec'd 7:45 p.m.

Secretary of State

Washington

23, April 21, 3 p. m.

DEPARTMENT OF STATE
 APR 21 1939
MS
 NEAR EASTERN AFFAIRS

The Prime Minister speaking before the Parliamentary Committee on Foreign Affairs yesterday made a confidential declaration which I am informed was in substance as follows:

Bulgaria is determined to remain strictly neutral as between the axis and anti-aggression bloc. The Balkan Entente as originally conceived has been so weakened by recent events that it now hardly exists.

Bulgaria's relations with Yugoslavia and Turkey based on pacts of friendship continue to be excellent.

As regards Bulgaria's claims he said they are the 1915 frontiers plus southern Dobrudja. Without saying so directly the Prime Minister gave the Committee the impression that he had been approached on the possibility of a settlement of the Dobrudja question but that he considered this insufficient; which has been interpreted to mean that he would not entertain an offer which did not include an outlet to the Aegean.

He assured the Committee that there would be no

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ML -2- Sofia April 2, 1939 7:45 p.m. #23

change in the present policy nor would any new obligations be assumed without approval of Parliament. The session of the committee continues.

MILLARD

EMB



LEGATION OF THE UNITED STATES OF AMERICA

No. 245

Sofia, May 2, 1939.

EU
[Handwritten signature]

Subject: Bulgaria after the conquest of Albania

DIVISION OF
INTERNATIONAL AFFAIRS
MAY 17 1939
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DEPARTMENT OF STATE

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AND RECORDS

JUN 3 1939

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ADVISER ON POLITICAL RELATIONS
MR. DUNN
JUN 1 1939
DEPARTMENT OF STATE

740.00/1508

The Honorable

The Secretary of State,
Washington.

DEPARTMENT OF STATE
JUN 2 1939
ASSISTANT SECRETARY OF STATE
[Handwritten initials]

Sir:

I have the honor to submit the following observations on the situation in Bulgaria since the conquest of Albania.

Though Bulgaria was shaken by the absorption of Czechoslovakia, it was not until the invasion of Albania that the Bulgarians realized that they were under the shadow of the military machine of the axis. The first reaction was shock and fear. This was followed by a widespread feeling of resignation in the face of the axis....

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axis which, to the Bulgarians, means Germany. All Bulgarians know that the country's economy is at the mercy of Germany, but prior to the occupation of Albania they had the feeling that though the situation was not happy, the whole of Yugoslavia and Rumania separated Bulgaria from the military forces of the axis. While Rumania was never regarded as affording much protection, the military qualities of the Serbs have always been deeply respected in Bulgaria, even by those who dislike and distrust them. Now Yugoslavia is paralyzed and Italian troops are only 100 miles away across a fermenting Macedonia.

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It will be recalled that the policy of King Boris, beginning in 1933 and earnestly pushed forward by Mr. Kiosseivanoff during the past four years, was a rapprochement with Yugoslavia, both as a buffer on the west and as a possible collaborator in helping Bulgaria to readjust her northern and southern frontiers. Therefore, the fall of Albania and the immobilization of Yugoslavia swept away the results of six years of effort toward a constructive foreign policy and dampened any hopes of a peaceful solution of her territorial ambitions.

In despatch No. 185, of December 12, 1938, the Legation pointed out that since there was no immediate prospect of stopping the German "Drang nach Osten", the Bulgarians hoped that it might be diverted north of the Danube. The push through Czechoslovakia, German representations in Warsaw, and the agitation regarding an independent Ukraine, gave reason to believe that Germany's intentions were in that direction. But suddenly this plan seemed...

seemed to be abandoned or postponed, and now the occupation of Albania has opened the way to Salonika and to a return to the classic "Drang" through Yugoslavia and Bulgaria to the Straits, and thence to Baghdad and the Persian Gulf.

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The three weeks which have elapsed since the invasion of Albania have been comparatively calm. Contrary to Bulgarian fears, there has been as yet no evidence of a change in Germany's outwardly friendly attitude. As reported in my despatch No. 232, of April 18, 1939, it was greatly feared in Government circles that the Bulgarian Ministers who went to Berlin for Hitler's birthday would be exposed to oppressive demands, which apparently did not materialize. Similarly, the fears that the Yugoslav Foreign Minister would be subjected to severe pressure on his visit to Venice appear to have been without foundation, and he seems to have returned from Berlin none the worse for the experience.

The sudden recall of Dr. Rümelin, who was well liked in Sofia as a just and reasonable representative of his country, caused, as reported in my despatch No. 230, of April 17, 1939, trepidation even at the Palace, but thus far there has been no indication that his successor, Baron Herbert von Richthofen, will assume an aggressive attitude. In fact, Germany seems to be on her good behavior, but as the Prime Minister stated (see my telegram No. 20, April 15), Germany does not have to threaten, since Bulgaria is always conscious of her economic dependence.

As.....

As to the other side of the problem, daily press reports from London emphasize that the importance of Bulgaria's position is receiving attention. The British Minister makes frequent calls on the Prime Minister; Mr. Momtchileff, the Bulgarian Minister in London, has returned to Sofia on a hurried visit; and on April 26, after several weeks of unpromising reports of Anglo-Russian negotiations in Moscow, the Vice Commissar for Foreign Affairs had a brief interview with the Bulgarian Prime Minister on his way to Ankara and revived a hope that at last Russia may do something. At the Foreign Office it is even admitted that some Rumanian officials have considered some kind of concession in the Southern Dobrudja, and they seem to think that if it were not for King Carol there might be a small chance of a concession.

It is too soon to estimate the influence of Russia on this country, but it is believed here that Russia, a traditionally friendly power, would favor the return to Bulgaria of Southern Dobrudja and Western Thrace. On the other hand, it is realized in Bulgaria that Russia's present concern must be lest the Straits fall under German control and this would presumably now tend to influence Russia in supporting Turkey, even in opposing the return to Bulgaria of Western Thrace.

Though all this talk may have raised the hope that something may be forthcoming from the non-aggression powers, the fundamental facts of the situation remain unchanged, and these are that Yugoslavia is paralyzed; Rumania, though guaranteed by Great Britain, is a weak
read;

reed; and the western powers have not promised Bulgaria any real military or even economic support. My colleagues and the informed Bulgarians generally believe that the western powers do not contemplate making a military stand on land in the Balkans. These views are pessimistically reflected by the Belgian Minister, who has spent his whole career in the Balkans. He said that he would not be surprised if Britain's front line was the Straits, and he did not think the Greeks would even attempt to resist should the Italians march on Salonika from Albania. He said that though anyone could see that an adjustment of Bulgaria's claims was essential for any hope of a healthy Balkan bloc, Great Britain and France had done nothing to this end during the past twenty years and they were doing nothing now. He even went so far as to say that in case of war, Great Britain will be lucky if Germany does not eventually succeed in persuading the Bulgarians to attack Istanbul. The British and French Legations share the general pessimistic outlook, and admit that the most they can hope for is that Bulgaria may be able to remain neutral.

With the known determination of the King and the Prime Minister to do all in their power to remain neutral, plus the widespread anti-German sentiments in this country, military cooperation between German and Bulgarian troops may seem a remote contingency. There are those who say Bulgaria, remembering her unhappy experience in the last great war, will never join the axis. But Bulgaria does not have to -- she is already tied to it. With the rapid....

rapid changes that can take place once hostilities commence, and should Germany have sweeping military successes which everyone seems to expect, there are numerous ways in which she could salve Bulgarian public opinion. An offer of the Southern Dobrudja and/or an outlet to the Aegean would create tremendous enthusiasm in Bulgaria and I do not doubt that if intelligently handled, a considerable change in attitude could be brought about by Germany without much difficulty. And after all, hatred is common enough in the Balkans. The Bulgarians despise the Rumanians, hate the Greeks and dislike and mistrust the Serbs. In such an atmosphere, anti-German sentiment per se should not be given too much weight, as small countries like Bulgaria cannot afford the luxury of a policy dictated by the emotions of the people.

Thus, as stated above, the first reaction to the invasion of Albania was fear; the second, which came only a day or two later and has since spread throughout the country, was one of resignation to Bulgaria's position of dependence on Germany. I think that the logical third reaction will be that the Bulgarians will put the question to themselves -- since we can't shake off our dependence on Germany, what can we get out of it? Certainly this is not to be wondered at. Though Bulgaria dislikes and fears Germany, she has got absolutely nothing from the western powers, whose word has little better standing than Germany's since their failure to implement their guarantee of Czechoslovakia's frontiers. An examination of the

post-war...

post-war history of Great Britain and France fails to disclose one really constructive effort in the Balkans; nothing but the status quo and makeshift treaties. The Bulgarians feel that should the fear of war which now hangs over those western powers be removed, they would return to their old attitude of indifference to Bulgaria's aspirations. As it is, the Bulgarians feel that they are being left to their fate. It is, therefore, not surprising that, as reported in the telegram mentioned above, the Prime Minister suggested that should German troops arrive at the Bulgarian frontier and demand a free passage, they would not be opposed. While I do not overlook the possibility that there was method in Mr. Kiosseivanoff's remark, one can well ask, as my French colleague did the other day: "What do we expect the Bulgarians to fight for, the Treaty of Neuilly?"

Respectfully yours,



Hugh Millard
Chargé d'Affaires a.i.

File 710
HM/DEM

HRE

TELEGRAM RECEIVED

Handwritten notes:
to
HRE
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This message should be closely paraphrased before being communicated to anyone (br)

SOFIA

FROM Dated May 23, 1939

Rec'd 5:43 p.m.

Secretary of State

Washington

33, May 23, 3 p.m.

DIVISION OF
EUROPEAN AFFAIRS
MAY 24 1939
DEPARTMENT OF STATE

The Prime Minister informed me today that the new German Minister had made no proposals on behalf of his Government and beyond negotiations for a possible British credit there were no new developments with the French and British.

He told me Potemkin in his conversations here had sounded the possibility of Bulgaria joining the Balkan Entente and he had fully explained and discussed Bulgarian policy in that connection. He added however he had recently reminded the Yugoslav Minister of a conversation last autumn with Stojadinovic (see my telegram No. 29, October 31) in which the Bulgarian Prime Minister had suggested a Bulgarian-Yugoslav-Rumanian agreement against outside aggression in the Balkans provided Rumania was willing to meet Bulgaria's territorial aspirations. He then reaffirmed his policy to maintain the neutrality of Bulgaria and referred to my recent return to Sofia presented to Congress in a detail on the European political situation.

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