COMMUNICATIONS FROM ITALY

Despatch No. 890, April 29, 1938, (711.65/105)
Telegram No. 106, May 13, 1938, (762.65/439)
Despatch No. 917, May 20, 1938, (762.65/457)
Telegram No. 117, May 23, 1938, (760F.62/321)
Telegram No. 124, May 28, 1938, (760F.62/360)
Despatch No. 964, June 10, 1938, (811.607 New York 1939/640)
Despatch No. 982, June 24, 1938, (852.00/8202)
Telegram No. 180, July 22, 1938, (760F.62/497)
Telegram No. 217, August 30, 1938, (760F.62/627)
Telegram No. 221, August 31, 1938, (760F.62/635)
Telegram No. 233, September 9, 1938, (760F.62/710)
Telegram No. 240, September 13, 1938, (760F.62/786)
Telegram No. 241, September 13, 1938, (760F.62/789)
Telegram No. 252, September 18, 1938, (760F.62/877)
Telegram No. 254, September 19, 1938, (760F.62/910)
Despatch No. 1099, September 22, 1938, (760F.62/1457)
Telegram No. 258, September 24, 1938, (760F.62/1070)
Telegram No. 261, September 26, 1938, (760F.62/1120)
Telegram No. 263, September 27, 1938, (760F.62/1177)
Telegram No. 265, September 27, 1938, (760F.62/1178)
Telegram No. 271, September 28, 1938, (760F.62/1257)
Despatch No. 1110, October 21, 1938, (760F.62/1804)
Communications from Italy

Despatch No. 1182, December 2, 1938, (765.00/123)
Telegram No. 14, January 15, 1939, (741.65/687)
Telegram No. 19, January 17, 1939, (741.65/697)
THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

1938 MAY 10 PM 2:03
AMERICAN EMBASSY
ROME, April 29, 1938.

No. 890
COMMUNICATIONS
AND RECORDS

Subject: Transmitting Article Entitled
"Italy and the United States -
Points to be Cleared Up", and
Summary by V. Gayda.

The Honorable
The Secretary of State,
Washington.

Sir:

With reference to the Embassy's telegram No. 98
of April 29, 7 p.m., 1938, I have the honor to trans-
mite to the Department copies and a detailed summary
in translation of an article by Virginio Gayda, en-
titled "Italy and the United States - Points to be
Cleared Up", which was published in the GIORNALE
D'ITALIA of April 29, 1938.

Respectfully yours,

William Phillips

Enclosures:
Enclosures:
1. Copy of article.
2. Copy of summary in translation.
ITALY AND THE UNITED STATES

Points to be Cleared Up.

-Virginio Gayda-

(Summary)

We are moved by no spirit of polemics, much less of aversion, toward the United States. We honor the robust creative civilization which the American people has built upon its fortunate territory; and we do not forget that that people includes several million Italian workers. We also appreciate, perhaps better than the Americans themselves do, the equilibrating force which the United States can represent in world affairs. But precisely because of this respect we cannot ignore the continued manifestations of hostility toward Italy in the United States, appearing with a frequency which makes them cease to appear episodic and become, instead, a system.

Congressman Byron Scott presented a resolution in the House on April 19th asking the Government to submit a list of the nations which had in recent years violated their treaties with the United States. Those treaties include the Kellogg-Briand Pact, the Nine-Power Pacific Treaty, the Pan-American Pact of 1936; and the violator nations, which should be placed in quarantine, are naturally, Japan because of her invasion of China, Germany because of her occupation of Austria, and Italy because of her Ethiopian campaign.
Byron Scott, however, did not stop at this point, which in itself was enough to stir up the most heated discussion of American foreign policy that has taken place since the World War. He also demanded that the "embargo" on exports of arms to Spain be lifted so that the Reds might receive even larger supplies of American supplies than in the past. He also, without furnishing the slightest intelligible evidence, proffered charges of Italian complicity in an alleged movement of espionage on a large scale taking place in the United States.

In certain newspapers it was rumored that President Roosevelt approved Scott's initiative, since its denunciation of Treaty violations and related world perils will win support for the naval armament bill in which the White House is so interested. Roosevelt's cordial approval of the Italo-British agreement a few days ago, however, would seem to deny this strange interpretation. So much the better.

Not for that reason, however, can one disregard the Scott affair. There is no need to insist on the myth of aggression that has been created, from Geneva to Washington, on the Ethiopian undertaking, the malicious inaccuracy of which has been disproved. But the new myth of Italian espionage in America must be decisively challenged. It is pernicious and dangerous. Byron Scott must answer for it, nor in vague assertions but, like a gentleman, with definite evidence of the facts.

Ever since the signing of the tripartite anti-Comintern agreement an artificial movement has been fomented in the United States to make it appear that the Italians, along with the Japanese and Germans, are engaged in widespread...
spread espionage. Politicians, newspapers, propaganda agents, and agitators prate of this subject although never once have they presented a shadow of evidence.

This yellow movement blossoms with continuous and gratuitous insults in Italy's regard. Among other things may be mentioned Ernest-Hemingway's shameful article in the April number of KEN, with its revolting insults against Mussolini, Fascist Italy, Italian national dignity and military honor, and its proposal to beat Italy, who is always easily beaten, and to beat her right now in Spain. The shipment of further American arms to Spain thus could also represent an armed American struggle, like the Soviet struggle, against Fascist Italy.

Hemingway's prose is not alarming. If this noisy scrib end will step forward, along with his comrades in arms and men, he will receive a well-deserved lesson at the hands of those Italians "who have no courage and are afraid to die." At the same time Hemingway and his colleagues are influencing millions of readers. Italy is therefore entitled to speak up. It will, of course, be said that the American Constitution guarantees absolute freedom of press and opinion. This theory, however, is dangerous when carried to the point of justifying violence to the most elementary honesty in international relations, to truth, justice and peace.

This is not the first time we have had to assume the unpleasant task of calling attention to the gratuitous insults proffered Italy in the United States. One will recall Admiral Leahy's insinuations, subsequently amended, regarding the possible landing of Italo-German armed forces in Central and South America, the NEW YORK TIMES.
Trias' charges of propaganda in Brasil and elsewhere financed by Rome, Berlin, and Tokyo, the HERALD TRIBUNE's despatches regarding an Italo-German-Hungarian military alliance leading to the invasion of Czechoslovakia and perhaps other countries; Ambassador Dodd's charges regarding Italian and German plans to dismember Europe; and, finally, Secretary Ickes' statement over the radio that "Fascism represents the greatest peril of the moment."

What does the United States want? War with Italy? This would seem ridiculous, not to say virtually impossible for geographic reasons. But this conjuring up of a permanent Italian menace which, in turn, would create among the American people a sense of imminent peril and therefore of the necessity for large defensive armaments, bestows upon a so-called defensive policy, in the absence of any Italian aggressiveness whatsoever, an obviously offensive character.

It is strange, for example, that such denunciations of Italy should continue after the signing of the Italo-British agreements, which have been everywhere endorsed—and by President Roosevelt himself—as a powerful instrument for peace. They were also cordially approved in Germany, which proves that the Rome-Berlin axis is working for real peace.

Admiral Leahy listed among the causes for suspicion of Italy the latter's failure to adhere formally to the 1936 naval treaty and to furnish information on her military preparations. Both these points have been clearly defined in the Italo-British agreements. What else is wanted?
Or is there, in certain quarters, an intention to continue gratuitous defamation to keep Italy and the Italians in a position of moral inferiority in the eyes of all other peoples, and particularly the American people? This would be a rash venture and in no wise compatible with the frankness and generosity usually attributed to the Americans or with the domestic harmony of the American people. One fails, in fact, to see how the American people stand to benefit by placing millions of Italo-American citizens under unjust and intolerable suspicions, such as that of espionage, and creating a problem of conscience in their loyalty toward the American Government. Is there a desire to isolate the Italians from moral solidarity with the other American citizens? Is there a desire to start a civil war in spirit among the Americans? Is there a desire to destroy the cordial relations formerly existing and still wanted (by Italy) between Italy and the United States? What mysterious factors are at work in this miserable campaign?

Such are the points which it is well to clear up.

There can be no real reason for hostility between the American and the Italian people. On the contrary, there are many self-evident reasons for a civilized work of cooperation. Italy's good intentions in America's regard are demonstrated by the patience and serenity maintained in the face of past and present anti-Italian manifestations by Americans and American newspapers.

We should like to be able to think that eventually reason and sense of respect for the moral and political rights of other nations -- two qualities indispensable...
to the dignity of policy of a great power -- will
return to the brains of those Americans who are today
busily, if futilely, engaged in attacking Italy.
TELEGRAM RECEIVED

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

Rome

Dated May 13, 1938

FROM

Rec'd 3:45 p.m.

Secretary of State,

Washington.

106, May 13, 5 p.m.

STRICTLY CONFIDENTIAL.

Embassy's 104, May 10, 6 p.m.

In discussing with Count Ciano the results of the Hitler visit he expressed great satisfaction over the solemn statement made by Hitler guaranteeing the present German-Italian frontiers. He said further that there had been no (repeat no) new undertakings between Germany and Italy as a result of the meeting, no documented agreements and no secret understandings. On the other hand he considered that the Rome-Berlin axis had been fortified by the visit.

I mentioned the reference in the Duce's speech to a new regime of international relationships offering more effective guarantees of justice, security and peace, and asked whether it had any bearing upon the possible resurrection of a four or five-power pact. Ciano replied categorically that it had no such reference and that no mention had been made during the conversations of any...
move in this direction.

In reply to my inquiry regarding the Italian attitude concerning Czechoslovakia, the Minister answered that as he had previously told me Czechoslovakia lay well outside the Italian sphere of interest. Furthermore the Praha Government had never been friendly to the Italian Government and was in fact "an enemy" of Italy's friends, namely Germany, Poland and Hungary. He expressed however his personal view that Hitler would not at present take any steps in Czechoslovakia which would lead to trouble. When I sought to obtain some reaction concerning the situation in Hungary I received only a similar expression of the Minister's personal view that "there would be no surprise move" by Germany at present and he interpreted "at present" as one to two years.

It was evident from the Minister's reply that Italy had made no concrete effort to restrain Germany in her plans with regard to Czechoslovakia. In view of the free hand given by Hitler to the Italians in respect of the German minorities south of the Brenner it might have been difficult for the Italians to bring pressure to bear on Hitler in regard to German minorities in Czechoslovakia. Ciano, however, told some of my colleagues including the Yugoslav Minister that it had been suggested to Hitler that
that any rash move in Czechoslovakia might be extremely dangerous. In this connection it may be noted that the British Ambassador called on Ciano last week to inform him of the joint British and French démarche at Praha and Berlin.

My Czechoslovak colleague is of the opinion that the fundamental plans of Germany envisage the breaking up of the French-Soviet-Czech Association which can best be achieved by pressure on its weakest link, Czechoslovakia. The Minister believes that Hitler will not undertake any military move but rather continue to insist upon the granting of autonomy to the Sudeten Germans. Having once secured this they will find opportunities to complain that the Czechoslovak Government has failed to fulfill its promises to them and will then be in a position to demand before the world their admission to the German Reich. In such eventuality the Czechoslovak Government will be in no position to resist and a new frontier will have to be found.

Ciano’s reference to the fact that no new undertakings had been entered into between Germany and Italy would seem to indicate that the Italians had declined to commit themselves regarding military assistance in the event of a conflict arising out of possible German action
action in Czechoslovakia and I find among my colleagues a general belief that there is no immediate danger of precipitate action or conflict there.

The impression seems to prevail that the members of Hitler's staff were disappointed by their visit although it is not believed that Hitler himself shared this view. He appears to have been immensely gratified by the Italian acceptance of the Anschluss and by the splendor of his reception and to have been so emotionally impressed by the spectacle of Italy's power and the grandeur of Rome that he has returned to Germany with a different conception of the Italian people.

In short, the visit would appear to have reaffirmed the solidarity of the Rome-Berlin axis following the Anschluss and the Anglo-Italian agreements and to have secured for Italy, without the necessity of further commitments on its part, the reiteration of Hitler's guarantee of the inviolability of the Italian-German frontier.

HPD PHILLIPS
The Honorable

The Secretary of State,
Washington.

Sir:

In amplification of the Embassy's telegram No. 109, May 15, 2 p.m., summarizing the Genoa speech of the Duce on May 14, 1938, I have the honor to transmit herewith a translation of the speech as published in the Stefani communiqué.

The speech had been awaited with great interest in Italy as providing the first opportunity for official interpretation of the Hitler visit, and the solidarity
darity of the Rome-Berlin axis was the dominant theme of Italian editorial comment in regard thereto. It was affirmed that the speech indicated not only that the axis had been greatly strengthened by the Rome visit of the Fuehrer, but also that it was serving the cause of genuine peace.

It was also alleged that London's reception of the speech had been favorable and that the references to the Anglo-Italian Pact had been appreciated in official circles in London, although the opposition press continued to manifest its displeasure. The Italian press also reported that a keen interest had been taken in the speech in the United States and took note of the declaration of the Secretary of State, adding that "in circles close to the American Government there was now a tendency to make a subtle distinction that the affirmations of democratic faith and exaltation of democracy which had been frequent in recent months on the part of members of the Government corresponded to 'defensive requirements' of the persons in question, to individual considerations of internal politics or to exclusively Latin American considerations." Gayda also wrote that:

"The axis, as an associated force not only of spirit but of material, will enter into operation with all its combined strength and resources should the folly of an ideological war be perpetrated by the democracies, as is suggested in the blustering language of personages in the old world and the new, not all of whom are irresponsible. And this is also the reply to journalistic stories regarding a military alliance allegedly concluded or prepared at Rome."

The most important comment, however, dealt with that aspect of the speech which referred to France.
Nearly all the Italian newspapers have insisted upon the impossibility of improved relations with France as long as that country continues to play what they term "the losing card of Barcelona", and it is alleged that France cannot enter into an agreement with Italy until the active solidarity which links it with the "Reds of Barcelona" is broken. Recent despatches from Paris published in the Italian newspapers lay emphasis upon the alleged intensification of French shipments to the Government troops and upon the generally unsatisfactory attitude of France toward Italy. Reports that the French Government has decided to increase its colonial forces have also been published together with the unfavorable comment in the German press to which this move has given rise, and the question is put to France whether it is willing to relinquish the impossible plan of breaking the axis and to cooperate in a constructive program of peace or whether it will continue to create new complications and to follow the suggestions of Moscow.

It is obvious that the Spanish question is the critical point of difference and the increase in pessimistic forecasts on the part of the Italian press seems to be due to anxiety in regard to this situation. The reports that France is continuing to lend active support to Barcelona and the alleged subservience of French official circles to the dictates of Moscow are apparently causing considerable concern in Italian official quarters, which are still resolved on a Franco victory and had been hopeful at the time of the conclusion of the British accords that an early solution was in sight.
As reported in the Embassy's telegram No. 111 of May 19, 6 p.m., there has been no resumption of the Franco-Italian negotiations since May 11. While the French Embassy is not unduly pessimistic with regard to this delay and maintains that they are merely awaiting a call from Count Ciano before beginning the discussions again, they point to the stiffening of the Italian attitude with respect to Spain, which they admit is the crux of the whole situation.

Respectfully yours,

For the Ambassador:

Edward L. Reed
Counselor of Embassy

Enclosure:

1. Translation of Mussolini's Speech of May 14, 1938 at Genoa.
Mussolini’s Speech of May 14, 1938.

At Genoa.

Comrades of Genoa.

With greatest joy, as I came from the sea this morning, I once more beheld the stupendous lineaments of your city, which has never as during this epoch deserved the title of The Dominant.

No less deep is my joy at resuming immediate, direct contact with you after a lapse of twelve years. It is with emotion that I speak to you, before the Arch which you have dedicated to the victory and to the heroes who shed their blood to achieve it and send it down to us and the coming generations as a sacred and immortal heritage.

Comrades, do not be surprised if, as has almost invariably been the case at memorable gatherings of the fascist people, I speak to you on certain questions of international character.

At six o’clock on the afternoon of March 11 Italy found herself once again at the crossroads and an immediate decision had to be taken. On that decision depended disorder, peace, or war, and therefore the fate of Europe. But, since these events did not come as a surprise to us but had been foreseen in their logical development, we immediately and clearly replied “no” to a diplomatic step, which, in this case was far more blunt than many.

The enemies of Italy and the anti-fascists of all factions were bitterly disappointed and gave way to an outburst...
outburst of genuine though impotent fury. Obviously they desired a clash between the two totalitarian Powers with the worst of complications, not excluding war, even if this war would have thrown open the doors of Europe to the triumph of bolshevism.

It was not necessity, as has been said, but choice which guided our attitude; and all that has happened since then demonstrates that our attitude was inspired by wisdom.

To those across the Alps who with naive melancholy remind us of what we did in 1934, we reply once more, before you and the entire Italian people which is listening, that between that time and March 1938 much water has flowed beneath the bridges of the Tiber, the Danube, the Spree, the Thames, and also the Seine.

While this water flowed more or less turbulently, these sanctions which we have not yet forgotten were applied against Italy, which was engaged in a sanguinary and gigantic effort.

Meanwhile all the diplomacy and policy which went under the generic name of Stresa was dead and buried, and, as far as we are concerned, it will never be resurrected. Nor can Italy permit herself the truly excessive luxury of mobilizing regularly every four years to prevent the vital development of a national revolution.

These are the contingent reasons. But there is another of a still higher order, which I am happy to proclaim here in the city whose privilege it was and whose legitimate boast it is to have been the birthplace of Giuseppe Mazzini. Fascist Italy could not indefinitely
assume the hateful and futile task of the former Austria of the Hapsburgs and the Metternichs of opposing the movement of the nations towards unity.

It is not through fear of complications that we acted as we did, for such fear has never lodged, does not and will never lodge in our hearts; but we acted through the dictates of our conscience, our sense of honor and loyal friendship toward Germany.

Now the two worlds, the Germanic and the Roman, are in immediate contact. Their friendship is everlasting. The collaboration between the two revolutions, destined to set their seal upon this century, cannot fail to be fruitful.

This is what the Italian people desired to signify when they welcomed the German Chancellor. Words which were pronounced on the night of May 7th at Palazzo Venezia were received with sincere enthusiasm by both peoples. They do not represent a diplomatic or political declaration, but are solemn, final and historic.

The axis, to which we will remain faithful, has not prevented us from following a policy of accords with those who sincerely want them. Thus in March of last year we brought about the understanding with Yugoslavia; and since then peace has reigned supreme on the shores of the Adriatic.

Thus we recently concluded the agreements with Great Britain. Underlying the disagreement which had severely jeopardized the relations between the two nations there was much misunderstanding and, let us frankly add, of ignorance in the sense which must be ascribed to this
word which comes from the verb "ignore".

Too many foreigners think of Italy as a country badly painted by a mediocre, and highly colored literature. It is high time that they become acquainted with the Italy of arms and of work, it is high time that they became acquainted with this people which in twenty years has furnished formidable proofs, culminating in the conquest of the Empire.

The last speech of the British Prime Minister was an effort to come out from the maze of commonplaces and to recognize in all its majesty and strength this Italy of ours, the Italy of Fascism and of the Blackshirt Revolution.

The agreement between London and Rome is an agreement of two Empires and it extends from the Mediterranean to the Red Sea and the Indian Ocean. Since it is our intention scrupulously to respect that agreement and since we believe that the statesmen of Great Britain will do likewise, it is permissible to believe that this accord will be a lasting one. The approval with which it has been received in all countries of the world is further proof of its intrinsic historic importance.

You will permit me to be circumspect as regards the conversations with France, since these are still in progress. I do not know whether they will reach a conclusion, because in a question of such extreme present importance as the war in Spain we stand on opposite sides of the barricade. They desire a Barcelona victory, we, on the other hand, desire and want a Franco victory.

Comrades of Genoa:

During these past twelve years Italy has made swift progress...
progress and so has Genoa. But what we have accomplished can be regarded only as a step. In the struggle of nations and continents there is no halt. He who pauses is lost.

This is why the Fascist regime will do everything necessary to develop our maritime traffic and your industrial enterprises.

Those who believe that the struggle for autarchy, which we shall continue with extreme vigor, diminishes trade are wrong. Autarchy may vary the quality of trade but will not alter its volume. Similarly erroneous is the opinion that the Regime wishes to sacrifice the small and medium industrial and commercial concerns. The contrary is true.

The workers of great Genoa, who have given such proof of their discipline and love of work, know from the evidence of a thousand facts that their situation is always present in my mind and, above all, in my heart.

The aims of our policy are clear. We want peace, peace with all countries. And I can tell you that National-Socialist Germany desires peace no less ardently than we. But peace, to be secure, must be armed.

This is why I wanted the fleet to assemble at Genoa, to show you and the Italians of our two most continental regions, Piedmont and Lombard, what is our effective strength at sea.

We want peace, but we must be ready to defend it with all our might, especially when one hears speeches, even if delivered on the other side of the ocean, which we must ponder. It is perhaps to be precluded that the so-called great democracies are actually preparing for a
war of doctrine. Nevertheless, it is well to let it be
known that in such an event the totalitarian states will
march instantly and will march to the bitter end.

Comrades of Genoa!

Fascist Italy watches and honors you, for she knows
she can count upon your courage, your spirit of initiative,
your never belied patriotism, and your truly Ligurian te-
nacity, which is harder than the rock you have blasted to
widen your city and is more patient than the long voyages
of your sailing vessels.

My visit closes one period in your history and opens
another. During this period your Genoa and ours must make
and will make a further mighty stride forward toward its
greater future.
A portion of this telegram must be closely paraphrased before being communicated to anyone. (B)

FROM
ROME

Dated May 23, 1938
Rec'd 4:20 p.m.

Secretary of State,
Washington.

117, May 23, 6 p.m. (GRAY)

The majority of Italian newspapers today confine their principal articles to internal affairs relegating their deliberately calm reports concerning the situation in Czechoslovakia to second place. News despatches admit that the situation is delicate and even critical but avoid any note of alarm. (END GRAY)

CONFIDENTIAL. At the Foreign Office this afternoon the same impression was given. It was said that the Ministry was now confident that a peaceful settlement would be reached although it was indicated that this was the only aspect of the question which was of real concern to Italy.

PHILLIPS

CSB
TELEGRAM RECEIVED

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

FROM
ROME

Dated May 28, 1938
Passed 3:20 p.m.

DIVISION OF EUROPEAN AFFAIRS
MAY 31 1938
DEPARTMENT OF STATE

Secretary of State,
Washington.

124, May 28, 6 p.m.

STRICTLY CONFIDENTIAL.

I have just learned that the British Ambassador called on Count Ciano several days ago and read him a copy of the instructions which the British Government had sent to Henderson in Berlin including the restatement of the Foreign Secretary's declaration in the House of Commons on March 24 (see Berlin's telegram No. 261, May 22, midnight). Perth then asked whether Ciano would use his influence with Berlin for moderation in the Czechoslovak crisis and received the assurance that Ciano would take the action requested.

My colleagues generally seem of the opinion that up to that time no steps of this nature had been taken by the Italian Government and are inclined to believe that although the situation remains tense.
matters will be adjusted peacefully. The Belgian Ambassador has been very much impressed by the prompt and decisive action of the British Government which he feels has without question induced the German Government, Henlein, and the Czechoslovak Government to approach a settlement of the problem in a more reasonable frame of mind.

PHILLIPS

RGC

IMS
No. 364

Rome, June 10, 1936.

Subject: Call of the Chairman of the Board of Directors of the New York World’s Fair on the Italian Foreign Minister.

The Honorable
The Secretary of State,
Washington.

Sir:

With reference to the Department’s circular telegram to the American embassy, London, No. 419 of May 17th, 7 p.m., concerning the itinerary of Mr. George Peabody, Chairman of the Board of Directors of the New York World’s Fair, I have the honor to inform the Department that Mr. Peabody arrived in Rome on June 4th and left on the evening of June 7th.

In accordance with his request, I took pleasure in calling upon the Minister of Foreign Affairs, to whom explained to some extent the position of the United States particularly to
express the appreciation of the Directors of the New York World's Fair for the generous participation of Italy, following this statement by a reference to the warm feeling which the American people have for the Italian people.

In reply, Count Ciano expressed his vivid interest in the exhibition and his satisfaction that the Italian participation was to be on such a generous scale. He then said that he was hopeful, and even confident, that in a spirit of reciprocity the American participation in the same exhibition in 1941 would also be a generous one.

Count Ciano then took occasion to discuss with Mr. Secretary the Italian attitude toward the situation of peace. He dwelt upon the urgent need of Italy for a peaceful solution of the world's problems — not only the need but the necessity — and said that European war would be disastrous to Italy. He recalled that Italy had only just acquired large territorial concessions which it would take at least thirty years to develop through peaceful penetration, and that the Italian military preparations were solely for the purpose of defense. He spoke about his Italian commitments with regard to Spain, that Italy had no thought of obtaining any political, economic, or other advantage as a result of her contribution in the civil war, but that she had the utmost interest in maintaining good relations in the Balkic Islands, and the question of Spain was essential to her security and the security of the Balkic Islands. The inclusion of Spain in the Balkic Islands was absolutely necessary to the Italian people, and the President of the republic in Spain was his friend, and the inclusion of Spain was essential to the security of the Balkic Islands and the Latin American countries.
France, which would be such a danger to Italy that it must at all costs be prevented. The life of Italy was in the Mediterranean, and Bolshevism at such close quarters could not be tolerated.

Mr. McAneny has also had the opportunity on several occasions to talk with Admiral C. Centu, Commissioner General for Italian participation in the World's Fair, who is giving a luncheon in Mr. McAneny's honor on June 10th, prior to the latter's departure from Rome. On the evening of Wednesday, June 8th, Mrs. Phillips and I gave a dinner at the Villa Taverne in honor of Mr. McAneny.

Respectfully yours,

William Phillips.
Subject: Spanish Situation.

With reference to my telegram No. 153 of June 20, 6 p.m., concerning the British Ambassador's discussion with Count Ciano regarding questions arising out of the Spanish situation, I have the honor to report that the British Ambassador has informed me that up to the present no definite reply has been given by the Italian Government in response to the British suggestions concerning a proposed truce between the warring factions in Spain. After his call upon Count Ciano, the British Ambassador seemed to feel that there was little possibility of achieving
an early solution of the Spanish question and considered that it could only be found in the gradual application of the program of the Non-Intervention Committee. The principal difficulty in effecting other means of settlement appears to be inherent in the constantly increasing hostility between the French and Italian Governments, which is reflected not only in conversations with local officials but in press editorials.

As indicated in the Embassy's despatch No. 972 of June 17th, 1938, concerning the Spanish conflict, the Italians are disposed to hold France responsible for the continued failure of Franco to achieve victory, which, in their opinion, is the only possible solution of the Spanish question.

From a highly-placed Spanish source I have gained the impression that not only would the Italian Government welcome an opportunity to withdraw its Nationals from Spain but that, also, General Franco would prefer to carry on the war with purely Spanish troops, provided that the Pyrenees Frontier could be effectively closed and French assistance to Barcelona stopped, a condition which apparently neither the Spanish Nationalists nor the Italian authorities seem to consider will be fulfilled. In this connection, reports from London that control of the French frontier had been resumed and that the Non-Intervention Committee had finally reached an agreement respecting the carrying into operation of the British plan, have been received in Italy with little enthusiasm. In fact, the attitude of the Italian press seems to be one of skepticism regarding the successful application...
application of this plan after so many months of negotiation. In general, the Italian newspapers have reserved their comments on the action of the Non-Intervention Committee on June 31st, and apparently prefer to emphasize the obstructive tactics of the Russian representative on the Committee rather than the achievement represented by the agreement. A typical expression of this attitude is contained in an article by the London correspondent of the TRIBUNA, who wrote on June 23rd that, even if the results of the previous day’s meeting could effectively be regarded as a step forward, it must still be realized that several months would be required to carry out the British plan, and, therefore, no immediate solution was in sight. While it may be said that Italy acknowledges that a step forward has been made, there is still the impression that the agreement, although accepted in principle, has got to be put to the practical test.

Although the majority of Italian newspapers refer freely to the idea of a truce as being discussed in the French and British press, without immediately discounting the possibility thereof, thus giving the impression that under favorable conditions it might be considered, they reject, as without foundation, the reports apparently current abroad to the effect that, in view of Italian difficulties both economic and political, Italy was most anxious to liquidate the Spanish affair. Such reports published in French papers have up to the present merely served to intensify hostility toward France as expressed in the Italian news columns. Not only have such editorial...
writers as Virginio Gayda expressed in soathing terms contempt for this attitude on the part of the French, which reflects the widespread distrust of French intentions, but also such newspapers as the more cautious MESSAG-ERO, in an editorial of June 24th, demonstrating the complete lack of comprehension of Italy's intentions on the part of France, stated that the main obstacle to the resumption of normal relations between the two countries still lay in the French mentality, which appeared to be inspired by former prejudices and to look upon Italy as a second-class power "in a state of perpetual inferiority".

The continuing tension in Franco-Italian relations and the rising popular hostility in Italy toward France are causing serious concern to many observers here and may constitute a real barrier to any effective solution of the Spanish problem and to European pacification. The state of feeling in Italy has reached a point where it parallels the hostility toward England displayed during the period of sanctions and prior to the resumption of conversations which led to the successful conclusion of the Anglo-Italian negotiations last April. In other words, it would seem that some concrete action is urgently needed in order to turn this tide and avoid a situation which, if allowed to develop, would create a further danger spot in Europe and become a source of potential conflict between the two countries.

The failure on the part of the Italian authorities to continue the discussions started by the French representative in Rome has apparently resulted in a determination on the part of the French government to take no further initiative...
initiative. Whether the Italian Foreign Ministry will propose a resumption of these conversations when it can be ascertained whether France has effectively closed the Pyrenees frontier can only be a matter of speculation.

In connection with the report mentioned in the Embassy's despatch No. 972 under reference, concerning an alleged consultation between Marshal Graziani and General Franco, it may be noted that a Stefani communiqué published on June 24th categorically denied that the Marshall has ever been in Spain.

Respectfully yours,

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

From

Secretary of State,
Washington.

18O, July 22, 10 a.m.

STRICTLY CONFIDENTIAL.

In the course of a conversation yesterday with the Czech Minister who has recently returned from Praha he told me that before leaving Rome he had called on Ciano for the purpose of obtaining an expression of the official Italian view regarding the Sudeten question in Czechoslovakia. He said that Ciano had reiterated that the Czechoslovak problem was of little concern to Italy since it involved primarily questions to be solved between Berlin and Praha. When the Minister pressed Ciano for more specific indication of what Italy would do in the event of a conflict arising out of the Czech situation Ciano replied that this contingency was not envisaged by Italy which had received assurances from the German Government that it would not go to war over the Sudeten manifestations.

The Minister seems convinced that the most critical moment has passed and that time is helping towards a pacific solution. He said that the principal agitation now was being carried on by the German newspapers but that his Government
-2- #160, July 22, 10 a.m., from Rome.

Government which was endeavoring to reach a solution at the earliest possible moment did not feel that this agitation represented the real views of the German Government although the latter was using the press as a lever.

PHILLIPS

HPD
This telegram must be closely paraphrased before being communicated to anyone. (B)

REB

FROM

ROME

Dated August 30, 1938

Rec'd 2:35 p.m.

Secretary of State,

Washington,

217, August 30, 6 p.m.

CONFIDENTIAL.

In a conversation which I had with Count Ciano this morning he gave me the impression that although Italy stood behind Germany in the matter of the Czechoslovak crisis it wished to have no direct connection with it. He did not appear to be unduly anxious but insisted that the responsibility for the future devolved entirely upon Beneš. If the latter was reasonable and prepared to make practical concessions, Ciano maintained there would be no danger but if on the other hand such concessions were denied the blame would rest entirely with the Czechoslovak Government.

Ciano did not believe that any decisive action would be taken by Germany until after the Nuremberg Congress early in September. Although he was confident that Germany did not wish for war he did, however, admit
the possibility that some incident between Czechs and Sudetens might be a signal for a German move.

Ciano manifested considerable interest in the eventual position of the United States should hostilities break out. While I said that it would be impossible to predict the ultimate role that the United States might play it must be remembered that any European war might well be a long drawn out affair which might give rise to the same situation that had developed between 1914-1917. In concluding I expressed the hope that Italy would take advantage of its close relationship with Germany to exercise a restraining influence in the event of a real crisis.

PHILLIPS

WWC

DDM
TELEGRAM RECEIVED

This telegram must be
closely paraphrased be-
fore being communicated

to anyone. (2)

FROM

DEPARTMENT OF STATE

Dated August 31, 1938
Rec'd 3:13 p.m.

Secretary of State,

Washington.

221, August 31, 6 p.m.

My telegram No. 217, August 30, 5 p.m.

The following is a summary of the opinion of some
of my colleagues concerning the present international
situation.

The French Embassy considers the recent wave of
anti-French propaganda in the Italian press symptomatic
of Mussolini's annoyance at the present slow progress of
France's armies in Spain which he attributes to French
assistance to Barcelona and also that it is part of
"axis tactics" to fluster France during the present
Czech crisis. That propaganda has somewhat declined
recently, however, which coupled with a relatively
benevolent attitude toward British efforts for a solu-
tion of the Sudeten question leads the Embassy to
believe that Italy is not encouraging Germany in the
latter's present stand nor that Italy would immediately
come to Germany's aid should hostilities break out.

The
2-221, From Rome, Aug. 31, 6 p.m.

The Czechoslovak Military Attache is concerned over a report he had received that Hungary intended to hold fall maneuvers beginning September 10th on the northwest corner of the Hungarian-Czech frontier which he says would virtually mean protecting the German right wing in the event of an attack from the Austrian side, Czechoslovakia's most vulnerable point. He does not believe Italy is enthusiastically supporting the Germans in their present stand and believes that an opportunity could be found through French and English concessions to Italy to materially weaken the axis.

The Yugoslav Legation while convinced that Germany is attempting to gain through threat of war what formerly was accomplished by war itself, does not believe Hitler will risk the "new Germany" for the sake of three and a half million Sudeten Germans.

The Soviet Embassy was told by Ciano, Sunday afternoon, substantially what Ciano told me yesterday and that he considered the German army was still a powerful factor in German politics and was convinced that the army did not want war at this time. The Soviet Embassy while sharing the general apprehension as to the result
result of possible incidents is inclined to believe that Hitler will not take direct action although not ruling out Hitler's capacity of sudden drastic decisions.

This Embassy's Military Attaché states from personal investigation that Italy, far from calling up fresh recruits, is allowing the last class to return to their homes on furlough.

PHILLIPS
HR

This telegram must be paraphrased before being communicated to anyone. (BR)

FROM

Rome

Dated September 9, 1938.

Rec'd 11:36 a.m.

Secretary of State,
Washington.

233, September 9, 1 p.m.

It is officially denied this morning in an Informazioni Diplomatica communiqué that Italy has proceeded to call up any classes or taken other measures of a military character since it considers that an agreement on the Czechoslovak problem is still possible and because its internal mechanism puts it in a position immediately to confront any eventuality whatsoever. The communiqué further evidences sympathy for the demands formulated by Henlein in the Carlsbad program and alleges that in responsible circles in Rome it appears that outside and irresponsible forces emanating from Moscow and Paris are at work in the Sudeten affair tending to stiffen the resistance of the Prague Government and placing the conflict upon an international ideological basis.

PHILLIPS.
Secretary of State,
Washington.

210, September 13, 6 p.m.

Italian press comment is characterized by universal approval of Hitler's speech and all editorial writers affirm that responsibility for the peace of Europe rests with the Government of Czechoslovakia. Such emphasis is laid on Hitler's demand that the Sudeten Germans be accorded the right of self-determination but only one paper, the POPOLO DI ROMA has thus far mentioned the possibility of a plebiscite.

Geyda this evening describes Hitler's speech as the "last appeal" saying that "there is still a part time— but not an excessive one—" and that the crisis "is still serious and far from settlement." Averring that developments depend entirely upon Praha Geyda admits that the composition of the conflict is not easy. He goes on to say that the atmosphere which has been created in Czechoslovakia through insensate anti-German propaganda is propitious to fatal incidents and the danger is augmented.
-2- #340, September 13, 8 p.m., from Rome.

...augmented by continuing outside maneuvers aimed at bolstering up Prague's resistance and at turning to account the consequences which might ensue. The agitation of Moscow, the Left sections in France and the Communist elements in England must also Geyda adds be connected with the current in France favorable to a preventive war on Germany, counting on that country's alleged unpreparedness. In conclusion Geyda expresses the "spiritual and political solidarity" of Italy and Germany and says that "during this troubled hour in Europe the union of the two great nations close to each other on frontier and in heart is a sure force for clarification and warning."

PHILLIPS

NPL: EMB
A portion of this telegram must be closely paraphrased before being communicated to anyone. From Rome

Secretary of State, Washington.

941, September 13, 7 p.m.

(Gray) An Information Diplomatico communique just issued reads in part as follows:

Benes would have been extremely well advised had he accepted immediately and in full the famous Carlsbad points. He did not do so, also because he is like the old Austria whose chief heir he is is always an idea or an hour behind the times. At this moment following Hitler's speech the real cause is shifted onto the concrete plane of the right to self-determination and this cannot be denied to the Sudeten, especially by those who make themselves the champions of that right.

There are by this time only two possible solutions: the first is to give the Sudeten the power of disposing of their own destiny; the other is to deny this right. In giving the Sudeten the power of separating from Praga, one is choosing the path of justice and above all of peace; the other solution is that of disorder and war.
FS  2-NO. 241, SEPTEMBER 13, 7 P.M. FROM ROME.

Runciman's task must now be directed toward convincing Benes that the course of wisdom and advisability is to agree to this separation of a limosis which is now completely extraneous to the life of the organism. The choice is between this course and the chronic disorder of a common existence which has become impossible, leading ultimately to war. But what has Czechoslovakia to hope for from war? And should millions of young men of every nation of Europe hurl themselves into the fray for the sole purpose of maintaining the dominion of Prague over the German Sudeten populations? These questions contain the answer within themselves.

In responsible Rome circles it is thought that the Bolshevists of the east and the west may find it to their interest to unleash a conflagration. But such is not the interest of Europe and the world. (END GRAY).

CONFIDENTIAL. In a conversation with Ciano this afternoon he impressed upon me the importance of the above communiqué and reiterated that the responsibility for the choice between permitting the Sudeten to join the Reich and war lay entirely with Benes.

It would seem that the language of the communiqué is even stronger in some respects than the tone of Hitler's statement and gives me the impression that the Italian
FS: C-No. 241, September 13, 7 p.m. from Rome

Italian Government is permitting itself to be used to bring further pressure upon France.

DDM: UPL

PHILLIPS
TELEGRAM RECEIVED

FROM GRAY Rome

Dated September 19, 1938
Rec'd 9:40 a.m.

Secretary of State
Washington

252, September 19, noon:

Affirming that his statement was dictated by European rather than Italian conscience and not merely by the policy of the axis or feelings or friendship toward the Hungarians, Poles and other nationalities, Mussolini said at Trieste that the only solution was to grant plebiscites to all the nationalities in Czechoslovakia which requested them. Any delay would merely determine a fatal clash. He sincerely hoped a peaceful solution would be reached; otherwise he hoped that the conflict would be strictly circumscribed; but if there should be a general alignment of forces for and against Praha, Italy's stand had already been taken.

Discussing the Jewish aspect of racial policy, Mussolini declared the regime's policy had been determined by the irreconcilable hostility of international Jewry toward Fascism during the past 16 years despite the regime's tolerance. Italian Jews who had undisputed civil and military merits vis a vis Italy and the regime would encounter
MB: -2- #252, September 18, noon from Rome

encounter understanding and justice; to the others would be applied a policy of separation. The world would ultimately have to admire the firmness and generosity of Italian policy unless the Jews at home and abroad and their many unexpected friends forced a sudden revision.

PHILLIPS
A portion must be closely paraphrased before being communicated to anyone (B)

ROMe

Dated September 19, 1938

FROM

Rec'd 6:50 p.m.

SECRETARY OF STATE

Washington

254 September 19, 7 p.m.

My telegram No. 252, September 18, noon.

After the Duke's speech at Trieste yesterday the majority of Italian editorial writers today paraphrase his statement that "Italy's stand had already been taken" and in reply to the charge of ambiguity which is brought by certain foreign newspapers, declare unequivocally that Italy's place is with Germany.

Although there is anxiety still apparent lest the decisions taken in London will not be sufficient to bring about a settlement along the lines indicated by the Duke and will not include other national minorities as well as the Sudeten Germans, it is evident that Mussolini's statement has removed all measure of doubt here regarding Italy's attitude and the principal outstanding question now relates only to the form such assistance to Germany might take or to what extent Italian military aid would be given.

Colonel Paine, military attaché, is of the opinion that the officers of the Italian army and navy generally speaking are not pro-German in their sympathies. He does not
believe that the Italian army would or could strike effectively against territorial France but that Italian efforts might be directed against Tunis and in Spain with greatly increased augmentation of efforts against the Spanish "pale". There is no outward evidence anywhere of mobilization but it is understood that full plans have nevertheless been made for prompt mobilization in case of necessity.

Considerable prominence is also given by the local press to the Hungarian Foreign Minister's telegram to Mr. Mussolini thanking the latter for his statement on behalf of the Hungarian nationals in Czechoslovakia. The telegram also announced that the Hungarian Government supported the declarations of the Hungarian minorities in Czechoslovakia to the effect that the latter were fully determined to dispose freely of their future destiny.

Any solution of the present Czechoslovak crisis which does not take into consideration the claims of other minorities would probably be unacceptable to Italy which in my opinion has taken the strong stand in favor of "plebiscites" for the purpose not only of sponsoring a pacific solution but of taking a position which would insure Italian participation in any discussion looking toward an eventual settlement.

PHILLIPS
EMBASSY OF THE
UNITED STATES OF AMERICA

No. 1089

Subject: Observations of British Ambassador and Czechoslovak Minister regarding European Situation.

Dear Sir:

I have the honor to transmit, as of possible interest to the Department, memoranda of conversations which I had with Lord Perth, British Ambassador, and Mr. Chvalkovsky, Minister of Czechoslovakia, on September 21 and 22, respectively.

The Department's attention is invited especially to Lord Perth's expression of the belief that Italy might be excluded from any early discussions between Chamberlain and Hitler looking to a general settlement
of European problems, and to Mr. Chvalkovsky's very interesting statements in contradiction of the view that his country has been "betrayed" by Great Britain and France.

Respectfully yours,

William Phillips

Enclosures:
1. Memorandum dated September 21, 1938.
Enclosure No. 1 to despatch No. 1039 of September 22, 1938 from the Embassy in Rome.

MEMORANDUM

I called this afternoon on Lord Perth, who has just returned to Rome from his holidays. He tells me that he was astonished to find so much unanimity in England on the grave problem of possible war with Germany. In all circles, except a small group of ultra-conservatives, there seemed to be the conviction that eventual war with Germany was certain to come, and that England was ready if it became necessary, although, he added, everyone was praying for a peaceful solution.

Lord Perth said that when Chamberlain began his conversations with Hitler at Berchtesgaden on September 15, Hitler reminded him that Great Britain and the other democracies had been the champions at the time of the Treaty of Versailles for self-determination among nations and peoples and that therefore Great Britain could not very well at this time deny this principle. He, Hitler, would be gambling his own future on the Czechoslovak problem. Perth realized that Chamberlain was giving way to Hitler's demands with regard to the Sudeten Germans would be excused by the opposition at home of having brutally betrayed Czechoslovakia. He was troubled especially because he had noticed that the first reaction in the British press had been one of condemnation of Chamberlain's tactics and he was fearful that this American viewpoint would encourage Chamberlain's enemies to start a campaign against him.

Spending of taxes, the augmentation will not have been known. No treaty yet, and no discussion did not have
have a high opinion of him. He said that for a good many years the British had been trying to persuade Beneš to carry out the promises that had been made by the Government of Czechoslovakia to the minorities within the State, but that Beneš had always put off doing so. Up till now very little had been done in their behalf and, therefore, Beneš must take much of the blame of the consequences of his delayed tactics.

I joked about Chamberlain's reported telephone conversation with Mussolini, of which we had heard considerable in the press and for which there is no foundation, and I also asked Lord Perth whether he had any information with regard to a reported four-power meeting to include Italy. Perth does not seem to think that the Italians will be given such consideration either by the British or by the Germans, and now that conversations have begun in earnest between Chamberlain and Hitler, he thought that they would probably lead to a wide discussion of European affairs and he hoped a settlement of the problems in which Great Britain and Germany were involved. He did not think that Italy would be called upon to take any part in any such conversations and that therefore there was no need of a four-power conference. He knew that Chamberlain's ambition was to bring about a limitation of armaments conference and that this might well be done after the Czechoslovak and Spanish problems had been disposed of. He thought that after the Chamberlain-Hitler conversations had been concluded, the French Government might follow suit in direct conversations with Hitler. Then, at long last, the Italians might...
feel like resuming conversations with the British and French.

With regard to the Spanish situation, Lord Perth has heard a rumor that Mussolini was tired and utterly disgusted with the present stalemate and was considering pulling the Italians out (he did not tell me how much credence he gave to this rumor). If Mussolini should act in this unilateral fashion, it may be possible, said Lord Perth, to bring the British-Italian agreements into effect and to give recognition to the Empire. He said this on his own initiative because he had not discussed this phase of the situation with his Government and did not therefore know its attitude. Of one thing he seemed certain, that he would not refer in any way to the Spanish question during his forthcoming conversations with Ciano, but would let the problem "ride".

In concluding the interview, I remarked that I should look forward to reading in the press, following his [Perth's] interview with Ciano, that he had returned to Rome to keep the Italian Government fully "informed" with the Chamberlain-Hitler conversations. Perth replied with a laugh that he had not yet made an appointment to see Ciano and had delayed his call purposely in order to avoid giving this impression.

Rome, September 31, 1939.
Enclosure No. 2 to despatch No. 1089 of September 22, 1938 from the Embassy in Rome.

MEMORANDUM

I expressed my sympathy to the Minister of Czechoslovakia when he called upon me this morning and read to him the reference in this morning's radio bulletin that according to the New York Times of yesterday, "Editorial opinion gathered from newspapers throughout the United States reveals the sentiment that Czechoslovakia has been betrayed by France and Britain, that war had been only postponed, not avoided, and that it is not the business of the United States to have any part in the affair." Chvalkovsky replied that there had been no such thing as "betrayal", that that was a wrong interpretation, for actually there was nothing that could be done. The British Government could not possibly go to war over Czechoslovakia for such as the British Dominions would not have approved. At the beginning of the Ethiopian Campaign, South Africa had been willing to go to war with Italy in order to keep Italy out of North Africa and the British Government had refused. Now then, added the Minister, could the British Government expect to count on the support of South Africa in Czechoslovakia? It was impossible therefore for the British Government to come to the assistance of Czechoslovakia without seriously endangering the break-up of the British Empire.

The Czechoslovak Government had taken such powerful defense measures in the Sudeten German area that...
if Hitler had moved his army across the frontier, the Czechoslovak Government could have blown the Sudeten Germans to pieces. Hitler would have been placed in the position, therefore, of seeing his own people, whom he was endeavoring to save, destroyed while his armies were crossing the frontier. That was one reason why Hitler had played his tactics of delay. The Czechoslovak Government had informed the French Government that they were willing to resist by force of arms and had suggested that with Russian, French and Czech support there would be sufficient strength to resist the oncoming of the Germans. The French Minister in Prague, to whom this communication had been made, referred it to Paris and replied that the situation in the French army was such that they could not undertake war on behalf of Czechoslovakia, that they did not have sufficient force and were not sufficiently prepared. Chvalkovsky repeated, therefore, that there was no question of "betrayal" but that rather neither the British nor the French were able to war on Germany.

From this point he went on to say that the result of the French inability to come to the assistance of their friends in Central Europe meant that the French prestige had dropped very far and that France was already regarded as a second-rate or third-rate power. Everything was now open to the Germans and Hitler, taking his own time, would without question advance little by little along the lines of his ambition. His success in Czechoslovakia had been overwhelming, far greater than the success which he had obtained through the Anschluss, for in Czechoslovakia he had won out against the great Western
Powers and without firing a shot.

The Minister felt certain that hereafter Hitler
would have very little use for Mussolini for he had
become so powerful that he had no need of Italian sup-
port. In addition, if the Chamberlain-Hitler conver-
sations resulted in a settlement of the British-German
problems, Mussolini would be still further removed from
European affairs. Chvalkovsky made an interesting com-
parison of the methods of Hitler and Mussolini. Hitler,
who was prepared to fight and with the most powerful army
in the world at his call, made no use of threats and spoke
openly of his desire for peace. Mussolini, on the other
hand, who is not prepared to fight and could not possibly
undertake a big war, glories in war and threats to other
nations. It was an interesting comparison and not with-
out considerable truth.

Chvalkovsky gave an interesting account of the his-
tory of the two Italian communiqués relating to Czecho-
slovakia. The first communiqué of September 9 had dwelt
upon the idea of Sudeten German autonomy within the State
as being the ultimate need in Czecho-Slovakia. On the
11th, there arrived in Rome the Prince of Hesse carry-
ing an important communication to the Duce, which was
delivered to Count Ciano in the Duce’s absence from town.
The substance of the letter is unknown but probably it
may have given the substance of the Nuremberg speech
which was to be delivered on the following day and it
may well also have tipped off the Italians to take a
stronger line than they had done in their first communiqué.

At any rate, the second communiqué published on the 13th
was stronger and undoubtedly in accord with German design. On his part, Mussolini was probably not at all averse to taking his stand for self-determination in principle, because in doing so he might well hope to receive the future gratitude of Hungary and Poland. However, according to Chvalkovsky, this gratitude would not count for much in the onward push of the Germans in Central and Eastern Europe.

In reply to my inquiry as to whether the Hungarian minority would gain the same treatment as the Sudeten Germans, Chvalkovsky said that within the last day or two, the Hungarian leaders had been to see Hitler and had secured his approval to inclusion of the Hungarian minority within the Hungarian State. This fact would be told to Chamberlain when he resumed his conversations with Hitler today. He was confident that Slovakia would remain within the state because the population was Slovak and no particular problem had arisen there. He did not know what the future of Czechoslovakia would be, whether a neutralized state or not, but gave me the impression that that might well be its destiny. He feared that in the process of secession of the Sudeten and the annexing up of the territory, there might still be considerable fighting because the Czechoslovak army would find itself forced to evacuate important positions which they were holding and might well be instructed to watch these positions being taken over by the "写道E Sudeten German Army". Practically, the Sudeten territory had already passed to the latter, though no guarantees involved had yet been given by the German government. It would be any action against them upon
the Sudeten by Czech Forces, Hitler would have every excuse and even the right of taking possession forcibly of the Sudeten territory.

Rome, September 22, 1938.
October 6, 1938

Tullio Chunikowsky's appointment of MFA of Prague, you may be interested in reading the minutes of his talk with Mr. Phillips.

Memoranda of conversations Mr. Phillips had with the British Ambassador and Czechoslovak Minister in Rome on September 21 and 22 are attached.

The first is of interest as indicating how wrong the British Ambassador in Rome was in his belief that Italy would not be called upon to take any part in the discussions between Chamberlain and Hitler looking to a general settlement of European problems and that therefore there was no need of a four-power conference.

Note by H.H.T. An indication that Chamberlain is aware of the advisability of playing up to Mussolini is apparent in his Commons speech. Knowing well the Duce's weakness for Ciano and his obvious desire to "build up" his son-in-law, Chamberlain, when referring to Mussolini, never failed to couple Ciano's name with his. It was always "Mussolini and Ciano" did this or that, not merely "Mussolini" or "the Italian Prime Minister".

Perth remarked that he knew that Chamberlain's ambition was to bring about a limitation of armaments conference and that this might well be done after the Czechoslovak and Spanish problems had been disposed of.

The
The second memorandum (pages 3-4) includes an explanation of Mussolini's transition from the principle of autonomy to self-determination as the solution of the Czechoslovakian matter. A communiqué of September 9 dealt with the idea of Sudeten German autonomy as being the ultimate need in Czechoslovakia. Two days later, according to the Czech Minister in Rome, the Prince of Hesse arrived in Rome with an important document for the Duce, which he believes contained the substance of Hitler's Nuremberg speech which was to be delivered the following day and may have tipped off the Italians to take a stronger line than in the communiqué of September 9. At any rate, the communiqué of September 13 was stronger and undoubtedly in accord with German design. Mr. Phillips adds that Mussolini was probably not at all adverse to taking his stand for self-determination, because in doing so he might well hope to receive the future gratitude of Hungary and Poland.

Mr. Phillips showed the Czechoslovak Minister a statement from the New York Times to the effect that "editorial opinion gathered from newspapers throughout the United States reveals the sentiment that Czechoslovakia has been betrayed by France and Britain, ..." Mr. Chvalkovsky remarked that there had been no such thing as "betrayal", that
that that was a wrong interpretation, for actually there was nothing that could be done. The Minister added that since the British Dominions would not have approved such an act, the British Government could not possibly have gone to war over Czechoslovakia. It would have seriously endangered the break-up of the British Empire, he concluded.

Note by H.H.T. I knew Chvalkovsky well in Rome and we often remarked upon his pro-German leanings even as far back as 1934. I believe he went to a German military school and there seemed to have acquired an immense admiration for everything German. In view of his sentiments it looks as though he were the logical man to handle Czech foreign policy if this is to parallel henceforth that of Germany.
TELEGRAM RECEIVED

ED
FROM
Rome
Dated September 24, 1938
Rec'd 6 p.m.

Secretary of State,
Washington,

258, September 24, 6 p.m.

In another public declaration this morning Mussolini at Pavia again stressed the necessity for an integral and definitive solution of the Czechoslovak problem and reiterated the hope that should a conflict break out it might be localized. After bitter references to the Praha Government and its reign of terror he emphatically warned those in the western countries who thought that this was a good time to settle accounts with the totalitarian states that they would find themselves confronted not by two separate countries but by two countries forming "one single block".

The Duce's speeches this week, and he has now made five each one increasingly vehement, have obviously been directed toward bringing home to the Italian people, to whom the idea of war has seemed repugnant, that Italy's position has been clearly taken in the event that the conflict cannot be localized and England and France become involved. Although a peaceful solution is apparently regarded
regarded by the Italian press as virtually precluded, it still expresses the hope, which is shared in official circles, that the conflict can be localized and Mussolini's speeches seem designed to serve as a warning to England and particularly to France not to encourage Praha's resistance to a complete settlement. The press points out that the rights of the Sudetens have already been recognized by the Anglo-French proposal and is bitterly critical of the resignation of the Czechoslovak Government immediately after accepting the plan. It is also asserted that the new Premier is too friendly with Moscow and that the influence of the latter is seen in Czechoslovakia's decision to mobilize.

The idea of a totalitarian solution first propounded by Italy and upon the necessity for which not only Mussolini but the entire Italian press has been harping also seems intended as an effort to secure the active support of both Poland and Hungary and the impression is being disseminated by the official quoted in the Embassy's 245, September 14, 9 p.m., that the four states will act as a unit in the event of a general war.

Although it has been officially denied at the War Ministry that Italy has taken any special measures of military preparation and in particular that there has been
-3- #258, September 24, 6 p.m. from Rome

...been any reinforcement of the units of the Libyan garrison it nevertheless seems probable that the existing force in North Africa has increased to approximately war strength in view of French reinforcement in Tunis. There is still no outward evidence in Italy of mobilization.

PHILLIPS

EMB: ROM
TELEGRAM RECEIVED

This telegram must be closely paraphrased before being communicated to anyone. (br. & A)

FROM

ROME

Dated September 26, 1938

Rec'd 3:20 p.m.

September 27, 1938.

Secretary of State,

Washington.

261, September 26, 7 p.m.

In his speech at Vicenza yesterday Mussolini after stating that Italy had taken no measures of a military character declared that if other countries continue to call up their reserves, to concentrate them on frontiers or if there are fleet concentrations no one would be astonished should Italy take similar precautions. However, insofar as the embassy has been able to ascertain no steps have been taken toward mobilization in Italy except for the recall of several classes of carabinieri (military police) who would be charged with facilitating mobilization if desired. It has also been learned that full preparations have been made for a speedy mobilization in the event of necessity.

Mussolini completed his speaking trip in the north of Italy with a declaration at Verona today which was largely a reiteration of his previous speeches. He re-emphasized the complete intimate and profound harmony between
between the people of Italy and fascism. He expressed appreciation for the efforts of Chamberlain in attempting to find a pacific settlement and stated that the forbearance of Germany must also be acknowledged. He again spoke of the necessity of a threefold solution which took into consideration the German, Magyar and Polish aspects. In warning that only a few days remained if a peaceful solution were to be found he stated once more that the conflict might be localized and said that he still believed Europe would not resort to fire and sword to save Prague although that contingency must be contemplated in which event Italy would be directly committed and he would permit no hesitation.

CONFIDENTIAL. I am informed that the members of the Czechoslovak Legation are making preparations for prompt departure although they are not yet convinced that should war break out Italy would abandon its neutrality unless England became involved. Married members of the Havas Agency here and their families are also preparing to leave.

Please inform War and Navy Departments of the foregoing.

PHILLIPS

RGC-EMB
This telegram must be closely paraphrased before being communicated to anyone. (S)

FROM
ROME

Dated September 27, 1938
Rec'd 4:06 p.m.

Secretary of State,
Washington.

263, September 27, 6 p.m.

Following is resume by Military Attaché of military situation to date:

"Understand from source believed reliable that Mussolini told Undersecretary of War Pariani that Italy would not go to war unless England joined France against Germany but if England went to war, Italy might be forced to enter. Pariani supposed to have received instructions to make all secret preparations for a speedy mobilization but to take no outward step. I believe all steps have been taken for prompt mobilization of ten classes, about two million men, but no sign of actual mobilization yet evident except calling to duty of certain complementary officers of artillery and engineers and certain enlisted specialists and artillerymen, exact number not known. Probably Italian frontier defenses fully manned but no evidence of movement of additional major units toward frontier. The two corps in Libya are believed to be at approximately war strength."
Munitions factories apparently continue working on 24-hour basis but no evidence of great increase in operation aircraft factories. No apparent step taken to safeguard works of art, build anti-aircraft shelters in Rome or provide civilian population with gas masks. In fact it is not believed that gas masks are available in sufficient quantity for all Government activities and key factories. No definite step being taken to evacuate population from Rome and other large cities. Idea of going to war as ally of Germany not popular with many army officers. However, it is believed army would obey orders without question. Many of older classes of reservists are decidedly against war in this situation and it has been indicated in some quarters that the call of the older classes might possibly lead to internal trouble in Italy.

It does not seem reasonable that if war were considered imminent Italy would neglect to take above indicated military precautions. With situation apparently as indicated it appears reasonable to assume that Mussolini either does not believe war imminent or that in case of war he has decided not to become actually involved at least at the start."
3-#263, From Rome, Sept. 27, 6 p.m.

(BROWN) Telegraphic request to Consul at Turin yesterday to report any unusual military activities has thus far brought no response. Embassy has received no (repeat no) reports of such activities from any consular office in Italy.

Inform War and Navy Departments. (END BROWN)

PHILLIPS

KLP
TELEGRAM RECEIVED

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

FROM

ROME

Dated September 27, 1938
Rec'd 4:26 p. m.

Secretary of State,
Washington.

265, September 27, 8 p. m.
My 263, September 27, 6 p. m.

I am informed that Ciano admitted to the Belgian Ambassador last night that certain military measures had been taken but maintained that they were purely precautionary. He did not specify the nature of these measures.

Neither the French nor the British Embassy has received any instructions with regard to warning its nationals to depart from Italy but a member of my staff was informed in confidence at the French Embassy this afternoon that all French citizens of military age were being warned that if they did not make arrangements for an early departure they (#) the risk of being interned should hostilities break out. The French Embassy believes that in spite of the very evident unpopularity of war among most classes in Italy there can be no doubt that Italy will be involved from the start as they consider that it would be
be difficult and almost impossible for Mussolini to maintain
the pretense of neutrality after his recent declarations
respecting Italy's position. The French Embassy has so
informed its Government.

Although the tone of this morning's papers after
Hitler's speech and Chamberlain's statement of last night
gave the impression that Italian official circles were
still hopeful of avoiding the conflict it is nevertheless
apparent that the military operations of England and France
have given rise to serious concern in Italy. Gayda
describes them as serving only to increase tension and build
up a war spirit and asks to what purpose they are directed,
maintaining that Italy must center its attention on them.
The fact of these preparations may have served to weaken the
hope which has apparently been sustained by many Italians
that in the ultimate analysis England would not join with
France in endeavoring to restrain Germany by force and
that therefore Italy would not be obliged to intervene.

After the close of the Milan market today all
securities were extremely weak including Government offerings,
with no takings. Please advise Commerce of this paragraph.

PHILLIPS

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

FROM
ROME

Dated September 28, 1938
Rec'd 4:35 p.m.

Secretary of State,
Washington.

RUSH

271, September 28, 3 p.m.

STRICTLY CONFIDENTIAL.

The British Ambassador gave me this afternoon in strict confidence the following information. Two days ago Halifax had sent for Grandi and had asked him to convey to the Duke an appeal on behalf of the British Government to use his efforts to restrain Hitler and at the same time the British Government had offered to guarantee the execution of the proposed terms of settlement. There had been no response from the Italian Government to Halifax's action and this had caused concern. For some unaccountable reason which I cannot fathom it would seem that the Halifax communication to Grandi had never reached the Duke and the letter was perhaps "sulky" in not having been asked by the British Government to use his good offices in this emergency. Yesterday Perth conceived the idea of making
the same appeal through Ciano and this morning he received instructions to act accordingly. Perth told me that he disliked to make official calls at the Foreign Office in the morning and had always avoided doing so. This morning he had the same reluctance believing that there was no great urgency inasmuch as there were apparently three days before the expiration of the Hitler ultimatum. However, something prompted him to call on Ciano this morning and he did so at 10:30. Ciano then revealed that the German army was prepared to move today at 2 p.m. and would occupy the entire Sudeten territory. Perth reminded him that the French would without doubt move also and that the action of the British Government would probably be guided by that of the French. He then made his appeal on behalf of the British Government and gave the British guarantee. Ciano seemed suddenly in a great hurry. He asked Perth to wait in the Foreign Office until he (Ciano) had seen the Duce. In a short time he returned with the news that the Duce/act in accordance with the British Government's request and would ask the Fuehrer for 24-hours delay in order to give further consideration to the whole situation.

Perth then returned to the Embassy where he found a second instruction asking him to call at once upon Ciano and
and propose a meeting of the four powers without delay.

Again Ciano asked Perth to wait while he hastened to consult the Duce. On his return Ciano said that the Duce accepted the idea and had at once transmitted it with his recommendation to the Fuehrer.

Perth is convinced, therefore, that the Duce has exercised the necessary influence with the Fuehrer to stave off the crisis.

Perth gave this information to me in the strictest confidence and I assured him that it would be so regarded.

Mussolini and Ciano left for Munich this evening.

PHILLIPS

GW

KLP

---(#) Apparent omission---
No. 1118

Subject: The Italian Attitude regarding the Czechoslovak Crisis.

The Honorable
The Secretary of State,
Washington.

Sir:

In my despatches No. 1094 and No. 1109 of September 30 and October 7, respectively, I have attempted to define the Italian attitude during the Czechoslovak crisis. There is little to add to that which has been reported, but nevertheless certain additional observations may be of interest.

As I have reported, Italian circles, generally speaking, appeared confident until almost the eve of September 29 that Italy would not be drawn into any hostilities that might occur, since there seemed to be a widespread belief that any eventual conflict would be localized. The Italian public regarded Czechoslovakia...
Czechoslovakia as too far away to be of special concern to Italy, and the press paid little attention to the German-Czechoslovak controversy in its early stages. As the Department will recall, Count Ciano informed me as early as May 12, 1938 that Czechoslovakia was not within Italy's sphere of interest, and that he regarded it as Germany's problem and not that of Italy. That he had no sympathy, however, for that country was clear when he referred to it as "a pistol pointed at Germany."

Undoubtedly the Italian Government hoped for a peaceful solution of the negotiations between the Government of Czechoslovakia and the Sudeten Germans and took occasion to advise the Czechoslovak Government, through the Italian representative in Prague, to be generous in their concessions to the Sudeten Germans. But, as the demands of the Sudetens increased and the German Government became involved, Italy adopted a stiffer attitude with regard to the Czechs and the Italian press became filled with unflattering references to Benes and his associates. Finally Mussolini in no uncertain terms stated that minority plebiscites were the only solution and that in the event of a general European war "Italy had chosen her position." When he made this reference to Italy's "position", there is no reason to believe that he feared that a general war would be the outcome of the negotiations. It would seem that he intended rather to gain favor with Hitler by coming to his support in this manner and may not have anticipated that he would be called upon to make good his pledge. At the same time it also provided an opportunity to remind Europe that...
Italy was not a silent partner in European affairs.

Reports which I have received from our consuls in various parts of Italy agree substantially.

The Consul General in Genoa advises me that he "has yet to find any well-informed person who thinks that Mussolini would have attempted to take the Italian people into war on the side of Germany." He adds that a few days before the meeting of the Four Powers in Munich there was some mobilization for defensive purposes. Just how far this extended he was unable to ascertain, but some few acquaintances of clerks in his office, primarily those in anti-aircraft, engineering and medical services had been called. Some Alpini regiments received cards to report in various village squares but when they arrived they found there were no preparations or supplies of any kind. He concludes that the "whole performance, according to reports, had the appearance of bluff and was not taken seriously."

The Consul at Turin informs me that until September 27 there had been "no ostensible movement of troops nor had there been any unusual quantity of equipment such as boots and clothing, received by the local commissary department, the barometer of general mobilization, though it had been learned that many specialists and reserve officers had been called up." He referred to the antipathy toward war prevalent in his district and the realization that Italy would be sacrificing herself solely for the aggrandizement of Germany. The outstanding feature, he said, was the total indifference to air attacks on the part of the civilian population.
From Trieste came a similar report. The attitude of calm was noteworthy, according to our Consul, and could be attributed in large part to the fact "that at no time were any troop movements or military preparations of any description whatever to be observed." The belief was general, he reported, that "either the threatened conflict would not come to a head, or, if it did, that Italy would not intervene for the time being at any rate."

The Consul General in Naples expressed his astonishment at the open and emphatic disapprobation of Italy's part in any war concerning Czechoslovakia. It was well understood, he said, that Italy had no vital interests involved and would be fighting Germany's battle. Lack of sympathy for Germany and Germans, he reports, was unanimously expressed and in no uncertain terms.

My former Czechoslovak colleague, Dr. Chvalkovsky, who has since been appointed Foreign Minister in the new Czechoslovak Cabinet, informed me before his departure from Rome that on September 19 the French Government, through their Minister in Prague, had formally advised the Czechoslovak Government that France would not be able to come to the support of Czechoslovakia in the event of hostilities with Germany. Therefore, added Dr. Chvalkovsky, the Czechoslovak Government on that date were aware that they could not rely on French nor English military support, realizing only too well that Great Britain would not venture in a war with Germany without French military cooperation. He admitted, however, that the military preparations both in England and France on subsequent days gave evidence that at the last moment both countries appeared to have modified their position.

Dr. Chvalkovsky
Dr. Chválkovský has always been impressed by the remarkable Intelligence Service of the Italian Government and he is convinced that both the Italian and German Governments were aware of the French communication of September 19. And so during the ensuing week it is probable that despite military preparations in other countries the Italian Government was proceeding in confidence that there would be no general European war and that should any hostilities occur, they would be confined to the Sudeten area.

I learned from Italian sources in which I have confidence that Mussolini himself did not anticipate any serious complications until just before the development of the crisis on September 28 when he was informed of Hitler's two o'clock ultimatum to Czechoslovakia, that he became greatly alarmed not only by the contemplated step but also by the sudden realization that the British and French Governments were ready to resist any such drastic move on Hitler's part. It is of course impossible to say with any certainty precisely what induced the Duce to communicate by telephone with the Fuehrer on the morning of the 28th. It may have been a combination of circumstances - the appeal of Chamberlain which had been made to him through the Italian Ambassador in London on the 26th, which was renewed by Lord Perth on the morning of the 29th with such forcible representations as left no doubt of Britain's determined position. And in addition the concern of the United States as expressed in the President's two messages to Hitler and the knowledge that a Presidential message to him (Mussolini) was about to be received, may
may also have been taken into consideration. At any rate, it now seems clear that Mussolini had not been previously informed that Hitler’s ultimatum would expire at 2 p.m. and that when the knowledge of this fact came to his attention, he was genuinely alarmed and for the first time.

If a general war had developed, the Italian Government would, in my opinion, have remained inactive, in a military sense, at the outset, for the simple reason that Italy was not prepared for war on a grand scale. In Italian military circles it is said that if eventually the army had been called upon to join the German army against Great Britain and France, there would have been no disobedience of orders, but the effort would have been of short duration not only because of the lack of war supplies but because of the intense dislike in the army itself to associate in war with the German army.

Respectfully yours,

William Phillips

710

WP: Jp
No. 1182

ROE, December 3, 1939

Subject: Speech of the Italian Minister for Foreign Affairs.

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to enclose a translation of the text of the speech of the Italian Minister for Foreign Affairs at the Chamber of Deputies on November 30, 1938, as published in the newspapers of December 1. Previous to its delivery the importance of the forthcoming speech was widely heralded by the Italian press as constituting an important contribution to Italian foreign policy. It was also recalled that there had been no similar declaration regarding Italy’s policies made since May 1937.

The main portion of the speech was devoted to an account of the development of the Czechoslovak crisis and of
the events leading up to the Munich conference. For the first time the extent of Italy's military preparations during the crucial period of the September crisis have been made known (A report of the Military Attaché analyzing the significance of the preparations is attached). Count Ciano called attention to the increase in the strength of the Italian army from 350,000 to 550,000 men on September 27, and to the naval precautions taken, a partial mobilization decreed by the Chief of the Government when he learned of the German decision to take military action against Czechoslovakia on September 28 instead of waiting the expiration of its ultimatum on October 1. This decision had been communicated to the Italian Government on the evening of September 26. Ciano announced, however, that at the same time Mussolini still believed that, for military and strategical reasons which he could not specify, the conflict between Czechoslovakia and Germany would be localized. As indicated in the Embassy's previous despatches relating to the Czechoslovak crisis, this belief would seem to have been based on an assumption that in the ultimate analysis Great Britain and France would not be willing to fight and only then. It was made clear at the last minute that Great Britain felt that war was unescapable was the necessity for immediate action made clear if a conflict in which Italy would have been involved was to be avoided. Otherwise it is difficult to understand why, if Mussolini had been informed two days in advance of the German intention to move into Czechoslovakia on September 28, he took no mediating action until only a few hours before the crucial time.

In giving further evidence that Italy would have been allied with Germany had it not been possible to reach an agreement. Ciano admitted that it had been considered necessary to establish
establish more specifically the bases of a military and political understanding with Germany and that a meeting between the two Foreign Ministers and the Chiefs of Staff of the respective armies had been planned for September 29 at Munich. Throughout the speech the effective action taken by Mussolini to preserve European peace was re-emphasized.

Developments subsequent to the Munich Conference were briefly summarized and the Italo-German arbitration between Hungary and Czechoslovakia and the Vienna award were described as further evidence of the full solidarity and complete understanding which prevailed between Berlin and Rome. Ciano also stated that with respect to the later Sub-Carpathian developments there had been complete identity of view between the two States, regardless of reports to the contrary which had appeared in the press. "Italy and Germany, in other words, have considered - and the interested parties - have supported them in this - that a frontier which was drawn up and solemnly accepted scarcely twenty days earlier should not be brought into question." This statement of the Minister's is not without significance in the light of the reports which had prevailed to the effect that Italy had previously been sympathetic to the idea of a joint Hungarian Polish frontier in Ruthenia. In this connection it is now understood that after consultation with the German Foreign Minister on the occasion of Herr von Ribbentrop's recent visit, Italy's good offices had lately been employed to persuade Hungary to abandon its claim for further territorial compensation in Ruthenia.

Ciano included in his speech a very cordial reference to the Anglo-Italian Pact and the part which Chamberlain, Halifax and Perth had played in the accomplishment of the series of agreements.
"which, taking into account the new realities of Europe, the Mediterranean and Africa, regulate on a basis of absolute moral, political and military equality the relations between the two Empires." These remarks were received by the Chamber with applause and in an obvious atmosphere of distinct cordiality as regards Great Britain.

The Minister went on to say that the consolidation of peace was and would remain the great objective of Italian policy and that "we shall pursue it with a tenacity and realism not separate from that circumspection which is indispensable when one intends to safeguard with inflexible firmness the interests and natural aspirations of the Italian people." At this point the speech was interrupted with acclamations and from various points in the Chamber with cries of "Tunis, Djibouti and Corsica." These cries were also repeated by the crowds which demonstrated in front of the Chamber and at the Palazzo Venezia at the close of the speech. A hint that Italy's "natural aspirations might include some further colonial adjustments had been given in an editorial by Virginio Gayda when on November 29 in discussing the visit of the South African Minister of Defense he stated that the colonial problem was one of equilibrium, of order and of justice. He said that it appeared legitimately as such for Germany and that it was also "alive and actual for Italy." The fact that the Embassy had been informed in the morning preceding Ciano's speech that such a demonstration was scheduled to take place also seems to deprive it of any spontaneity or character.

This section of the speech and the significance of the demonstration have naturally given rise to a wide range of comment both among diplomatic and journalist circles in Rome, which
which have also pointed to the absence of any reference to Italy's relations with France or settlement in Spain as evidence of a certain stiffening in the Italian attitude in this respect. It now seems likely that no progress toward a solution of these outstanding problems can be expected prior to the visit of the British Prime Minister now scheduled for the second week in January, when they may be discussed in the light of the renewed cordiality toward England. The press has reported from Paris that Daladier conferred with Bonnet concerning the demonstrations and that the Italian Ambassador was summoned to the Quai d'Orsay. It is also understood that Francois Poncet has made a communication to the Foreign Office in regard thereto, but no details of this demand have yet transpired.

Italian editorial comment with respect to the speech consisted for the most part of a condensed summary and all newspapers referred to the statement regarding the "natural aspirations" of the Italian people. Nearly all writers also brought out the point that it had been possible to prevent a European war only because of the Italian-German friendship and the improvement in Italian-British relations. It was likewise alleged that the Munich agreements had not only shown that the rights and aspirations of peoples could open up a path for themselves without necessarily resorting to war, but that they must be borne in mind if there were not to be a repetition of critical situations which could not always be so easily resolved.

The surprise evidenced by the French newspapers concerning the demonstration in favor of colonial adjustment is stated by Joyce to represent ignorance on their part of the new and proud consciousness of the Italian people, which bodes a direct course for its foreign policy, inspired in the service of European justice and the protection of all Italian rights, those
which have been satisfied and those which remain to be satisfied. "Italy," he said, "is prepared to march and, if necessary, even against France."

The frankest of all Italian newspapers in referring to the nature of these "aspirations" is the STAPA of today's date, although it fails to state in what form they should be satisfied. The article points out that -

"There are territories which long before the advent of Fascism spoke to the heart and mind of Italians through common traditions and interests. A wise policy would have made of these territories and their populations the favorite terrain for collaboration and agreement between the two countries.

"What happened instead? Precisely in those spots which were nearest, military works appeared for the purpose of striking at us more directly and rapidly and of exploiting to our detriment precisely those geographical conditions which for centuries and centuries had constituted a bond between the destiny of Italy and the destiny of these lands."

Other newspapers have also presented reports of French plans for action from Tunis against Libya during the September crisis. Such reports are mentioned as further justification for settlement of the Tunisian question.

The STAPA also mentions the Suez Canal and affirms that the present pumping of gold from Italy cannot continue. With respect to Djibouti, the newspaper says:

"What now is the function of Djibouti? As long as there was a policy of influence over the Ethiopian leaders, France had direct interest in keeping and developing that port, which was the nearest to the Ethiopian capital. But today it can serve no purpose save to hamper and make more costly our work of colonization."

The impression that Italy is preparing a definite campaign having as its object the justification of a Tunisian readjustment is unescapable but as indicated in the Embassy's despatch No. 1162 of November 13, 1938, it still remains open to question whether any considerable concessions can be achieved in the light of the agreement with Great Britain to maintain the Mediterranean.
Mediterranean status quo and the obvious popularity which this agreement enjoys among the majority of Italians. It is felt that the Government might well hesitate to insist upon such a policy if it appeared that such insistence might affect the stability of restored Anglo-Italian relations.

Respectfully yours,

Edward L. Reed,
Chargé d'Affaires ad interim.

Enclosures:
/\ Translation Ciano's speech;
M//\ilitary Attaché's report.
FOREIGN MINISTER CIANO'S SPEECH IN THE COUNCIL ON NOVEMBER 30, 1938.

Czechoslovakia

On September 18th of the Year XVI, when M. Chvalkovsky, then Czechoslovak Minister Plenipotentiary to Rome, concerned at the stormclouds hanging threateningly over his country, asked me what the Italian attitude would be in the event of a Czech-German crisis, I replied textually as follows:

"The fate of Czechoslovakia, in its present political structure, is not as far as we are concerned, a major problem. We have no direct disputes with the Czechs, but they interest us indirectly because of their relations with neighboring states to which we, on the other hand, are united by bonds of solid friendship. Therefore we should like to give you a piece of advice. Come to an agreement with Berlin, Budapest and Warsaw, and do this quickly and freely before you are forced to it by the inexorable course of developments. (Approval) For you will be making a grave mistake if, forgetting recent and remote experience, you close your eyes to the facts and continue to harbor fallacious illusions on the solidity of what is known as collective security of the League brand or the practical value of friendships which are geographically distant." (Warm applause)

Through this statement, the fundamental importance of which did not escape M. Chvalkovsky, the Italian position regarding Czechoslovakia was established. That position was clear, unequivocal, and logical under the Mussolinian concept of European political life and the struggle which Fascism had for many years been conducting against the false, emperilled, and perilous architecture of Versailles, of which Czechoslovakia was precisely...
ciscely the most typical expression. (Good)

The peace treaties, repudiating the principles of nationality which had been proclaimed during the course of the World War and announced as a definite pledge at the time of the armistice, had created the new paradoxi- cal republic, basing it upon a political-strategic con- cept which represented a most flagrant violation of those principles, so much so, indeed, that at the Peace Conference itself the Czech delegates, in order to cloak the violation to be perpetrated, declared in a memorandum their intention of organizing the Czechoslovak state along federal lines which would guarantee the autonomy and rights of the individual nationalities. This pledge was never fulfilled. The national minorities were entrusted to the equivocal, inconclusive system of League protec- tion, which made possible within the country methodical repression of the rights of each ethnical group and out- side the country fostered the creation of a system of alliances and guarantees intended to prevent any peaceful revision of unjust frontiers. There became more and more apparent a determination to use Czechoslovakia as the fulcrum of a system of encirclement of Germany and Hun- gary, thereby eliminating any possibility for neighborly relations or cooperation on the part of the minorities with the Czechoslovak state. They did not demand the disbandment of the State nor, at that time, definite separation from the Republic. But it was the Prague government which undermined the very foundations of the State, brutally confronting the minorities with this alternative: acceptance of a policy which would have led them to take up arms against their brothers across the...
the frontier, or open rebellion against the violence
to which they were subjected.

Such was the fatal link between foreign policy and
internal policy in Czechoslovakia, a link which became
more and more evident as the extreme efforts of the
German minorities to cooperate with the Czechoslovak
state came to an end and the anti-German policy of Beneš
was aggravated to the point of leading, in the spring of
1937, to the conclusion of the Czech-Soviet pact which
made Czechoslovakia the bridgehead of bolshevism in
Danubian Europe.

(Approval)

That moment can be identified as the beginning of
the decisive crisis. Developments of incalculable im-
portance meanwhile were coming fast one upon the other
in Europe and the world. First among them, not only in
chronological order, was the conquest of Abyssinia by
the Italian people, which placed this country on an im-
perial footing and marked, through the sensational fail-
ure of sanctions, the definite decline of all Genevan
ideology. (Great applause.)

In the European atmosphere created by the Ethiopian
war, Germany, restored under the aegis of Nazism to the
greatness of her political and military traditions, be-
gan an extensive activity for the revision of the peace
treaties and paved the way for national unification
within the frontiers of the Third Reich. With the unifi-
cation of Austria to Germany in March 1938, consecrated
by the plebiscite of April 10, it was obvious that the
system of repression whereby the Czechoslovak state had
been created and maintained was also shattered. Nor could
the Germans of Czechoslovakia longer submit to the regime of increasing violence imposed upon their territories, nor could Nazi Germany further tolerate the maintenance of this reprehensible regime. So the concrete problem stood in the spring of 1938 when Henlein established in the Karlsbad program the Sudeten demands. It should be noted that even then territorial separation was not contemplated. A cantonal reform of the State, honestly and promptly put through, would for a certain time at least have satisfied the Sudeten demands. Not at all, the Prague government turned a deaf ear and sought with exasperating obstructions to postpone any decision. The situation rapidly deteriorated. Violent, sanguinary conflicts broke out at Eger over the mayor elections. The government forces resorted to arms. German public opinion was not indifferent to the situation in the Sudeten provinces, but the Government of the Reich still had taken no steps at the time rumors of German mobilization were artificially circulated. The alarm in Europe grew from hour to hour. There was talk of French mobilization and British solidarity with France in the event of conflict resulting from a German attack on Czechoslovakia was confirmed.

The British Ambassador to Rome, Lord Perth, twice called on me on May 21 and 22 and informed me of the keen anxiety with which the London government viewed the course of events. He confirmed his country's solidarity with France. For our part, we merely took note of the communications, adding that our view of the situation was less pessimistic...
pessimistic. The key to peace, we said, was still in Prague's hands: if fairness and common sense prevailed there, the conflict would be avoided. In reality the situation showed a detente and the facts appeared in their true perspective. A dangerous, underground move had been made by those who pass over no opportunity of setting fire to Europe. All this was later proved in an irrefutable manner. During the days when the alarm was sounded, Germany had not increased her effective by a single man nor had she sent any military formation whatsoever to the Czech frontier. This move having failed, another was immediately conceived, which patently revealed its origin and purposes: to credit the rumor that Germany had in fact mobilized previously but that she had hurriedly backed down, impressed by the reaction her decision had provoked in various countries. This falsification was to have great consequences: it not only was contrary to the facts of the matter, as is the congenital custom of certain organizations which we have by this time identified and unmasked (applause), but the military and political prestige of the Third Reich was called into cause. It was a weapon designed to turn against those who had used it: the Sudeten question, placed on such a footing, issued forth from the sphere of probability of a diplomatic settlement and entered a different one.

Despite this fact there was no deliberate precipitation or compromise. Although the elections confirmed the overwhelming majority of Henlein's party, which was endorsed by 91.44 percent of the voters, that Party resumed negotiations with Prague, still on the basis of
the Karlsbad demands. The conversations were protracted for two long months. There were many fluctuations, but no results. Indeed, no hope of results. It was then that Mr. Chamberlain made his first effort at conciliation by sending the Runciman mission. This brings us up to August 6, when the British envoy arrived in Prague. Negotiations continued under his auspices, yet no progress was made. The incessant exchange of memoranda served only to make the situation more intricate and, for many people, more incomprehensible. Not for us, though: on August 20 the Duce, foreseeing the acute phase of the crisis to be inevitable and imminent, instructed me to consult with the German government and seek certain information, since he intended at that time to take precautionary measures along the frontiers.

(Loud applause.)

On August 30 the Duce suspended the world cruise that the 7th Naval Division was preparing to make; this was no time to send warships far from their bases.

(Approval)

In the atmosphere of exasperation which developments and polemics had created, there occurred on September 6 the Moraska-Ostrawa incidents. A number of Sudetens were wounded and a number arrested. Negotiations were suspended. In international circles a violent German reaction was expected. It did not come. But on September 12 the Fuehrer spoke, and his words had a definite character. Procrastination would not further be tolerated. The climax of the drama was drawing near.
Italy, in the two INFORMAZIONE DIPLOMATICA notes, declared her attitude, on which, in any case, only those who practice international ill-feith by profession could have held polemics and discussions. Finally on September 15 the POPOLO D’ITALIA published the "Open Letter to Runciman" which immediately was seen, through its content and unmistakable style, to be the only constructive of the many documents that had hitherto appeared. The "Open Letter to Runciman" courageously placed the nebulous diplomatic negotiations on a plane of fact; the letter pointed to the method of concrete solutions; the letter reminded a world so frightened as to feign ignorance that there existed not only a Czech-German problem, but that there existed also a Czech-Magyar problem (demonstrated of sympathy for Hungary) as well as a Czech-Polish problem and that each of these was of such proportions as to be susceptible in itself of setting off the powder-house again. The Runciman mission practically came to an end the next day, and it soon broke up. But one problem had been advanced and the veil of silence could not again be thrown around it.

The tension in Europe grew from day to day, often from hour to hour. Switzerland and Belgium took defensive measures on their frontiers. France called up her reserves. Reports, in part true, in part exaggerated, and in part false, of military measures by the various countries piled up one on the other and made the air still heavier.

The sudden, unexpected news of Chamberlain’s first visit to Germany brought a breath of hope. The honest, courageous move of the British Prime Minister, who was determined to leave no stone unturned before accepting as inevitable.
inevitable so terrible a conflict, was in all countries, and in Italy too, received with frank and profound sympathy. But optimism was short lived. The first Hitler-Chamberlain meeting led to no substantial conclusion, while an incomprehensible stiffening on the part of the Prague government increasingly embittered the local situation.

It was at this moment that the Duce definitely determined Italy's future conduct and instructed me to inform the Berlin government on the matter. If the conflict between Germany and Czechoslovakia were localized, Italy's attitude would again be considered. But if the conflict should become general, if it should be used as a pretext by the anti-fascist forces to bring about a coalition of ideological character against Nazi Germany, then there would be no choice or hesitation: Italy would in turn feel that she was threatened and would align her forces by the side of Germany's. (Great applause)

This decision the Duce announced to the Italian people and the world in his Trieste speech. The speeches which ensued in the various cities visited by him during his trip in Venetia gave the Italians the rare privilege of being kept up to date on developments by the voice of their leader.

On the day of September 22, the second conversation between the Fuehrer and Chamberlain was held at Godesberg. We were promptly informed by Germany that things were going badly. The next day the two leaders did not meet but exchanged written messages. This was an indication of deterioration in the situation: each party now wished to make clear its historical responsibilities. Germany
fixed her demands and set a date: October 1st.

A number of foreign representatives were meanwhile calling at Palazzo Chigi. To all of them I confirmed our attitude. As is natural, the most frequent consultations were those with the countries to which we are united by special bonds of treaties and friendship, and among these should be mentioned Japan, Yugoslavia, Poland, Spain, and Albania.

Sunday, September 25, at Schio, a conversation was held in the train between the Duce and a special envoy of the Fuehrer, who had come by plane from Munich and met me at Venice, who verbally furnished confidential information and again expressed the appreciation of the German government and people for the attitude we had assumed. On Monday the 26th another gleam of hope was given by the news of the visit Mr. Wilson was making to Germany under Chamberlain’s instructions. A fleeting hope. The situation, in fact, was precipitating. Since Czecho-Slovakia did not wait until October 1st to refuse the German demands, the Fuehrer shortened the time limits to Wednesday, September 26th at two p.m. As of that date and hour Germany resumed freedom of action and intended to move forthwith. The information was secret, but it was immediately reported to me by our Ambassador at 7:30 p.m. on September 26th.

The Duce at that moment was en route from Verona to Rome. I received him at the station and informed him of what had happened and what was being planned. He received this highly serious information with his habitual imperturbable calm. (Applause) He informed me of the decision to proceed the next day to an initial partial....
partial mobilization, although he still believed that, for military and strategical reasons which I may not specify here, the conflict which now seemed inevitable on the Czechoslovak frontier might, despite the declarations made by the Governments associated with Prague, be localized and circumscribed.

Our mobilization began, under the Duce's personal direction, on September 27th. Since there has been much talk and discussion on the alleged absence of any military measures by Italy and since conclusions and theories, which warrant consideration, were drawn on the subject, it will be a good thing to make public the nature and extent of the measures we took. (Approval)

The Army took the following steps:

1) the western frontier forces were placed on a war-time footing;
2) mobilization of the anti-air defense in Piedmont, Liguria, and the entire Tyrrhenian slope;
3) calling up of Alpine troops to reinforce the divisions of Cuna, Turo, and Taidentina;
4) calling up of troops to augment the effectives of the Turin and Alexandria Army Corps;
5) calling up of troops to place the Po Army troops on a 75% war footing;
6) reinforcement of the garrisons of Pantelleria, the Aegean, and Elba;
7) calling up and immediate despatch to Libya of reinforcements to place the XX and XXI Army Corps on a war footing;
8) calling...
e) calling up of reinforcements for the
  Sicilian and Sardinian Army Corps. (Applause)

As a result of these measures, involving the calling
up of 300,000 men, the strength of the army was increased
within the space of a few hours from 250,000 to 550,000 men.
(Applause) If the course of events had made it necessary,
the mechanism of general mobilization would have clicked
into action and would have functioned with the same quiet
perfection, and the Army would as always have written pages
of sacrifice and glory. (Loud acclamations of the Army)

The Air Force, in accordance with previously established
plans, formed the four aerial squadrons whose commanding
officers had been appointed and duties established, proceeded
to organize and reinforce the fields of maneuvers where the
units involved in the initial war movements were to be con-
centrated, and called up adequate reserves. There was no
need for warning in advance to prepare the Air Force for
action with the powerful efficiency of its equipment and
heroic impetus of its men. (Loud applause)

The Navy was completing its warship crews; outfitting
ships, torpedo boats, and submarines usually held in reserve;
making the necessary displacements to fortify the more
distant bases and respective areas of action; putting into
operation its elaborate system of observation and vigilance.
At dawn on September 28th, 22 battleships and cruisers, 114
destroyers and torpedo boats, 91 submarines, 337 mms, mine-
layers and lesser craft, with a total of 5,123 officers and
24,701 petty officers and men, were ready to go into action
and to renew upon the seas of the fatherland the Navy's
glorious feats. (Prolonged applause)
These figures are too elegant to need elaboration of any kind. Mobilization went forward in perfect order and absolute calm, so much so, indeed, that its true proportions escaped the most attentive observers. The Italian military machine, which the Duke has built up piece by piece (acclamation of Mussolini) during sixteen years of unremitting effort, gave proof in the hour of supreme need of its high degree of efficiency — not only as regards armament and equipment, but also and above all as regards morale; the entire Italian people demonstrated on that day a civil, political and military maturity unequalled in no country and at no period of history. (Applause)

And since, in the underworld of international journalism and politics, when the crisis was over and fear and even modesty were forgotten, it was said that the Duke's policy would in practice have encountered opposition and set-backs of another kind, we repeat once for all that we shall not even take the trouble to deny certain libellous, idiotically ridiculous lies and that their authors would perhaps stand to benefit by keeping in mind that all the Italian people, from top to bottom, without exception and without hesitation, was during September of the Year XVI, as it will always be henceforth, ready to march in that direction to which their leader points. (Prolonged applause)

The above-described measures of mobilization having been completed, the Duke thought it necessary to establish more specifically the bases of the political agreement with Berlin and to create military liaison organs. The great western democracies had already done so or at any rate were about to do so. Therefore a meeting was called at Munich,...
Munich for noon on September 29th, which would have been attended by Minister von Ribbentrop and myself, accompanied respectively by General von Keitel, German Chief of Staff, and Generals Farioli and Valle.

These measures characterized the day of the 27th, which was dedicated in all countries particularly to military preparations. Diplomatic activity marked time; any further effort seemed useless. Although the setting ahead of the date was not yet known, the world was waiting for the first shot from one moment to the next. Even the British Prime Minister's brief speech over the radio was not of a nature to inculcate new hopes. Europe was inexorably moving toward the great adventure.

It was at 10 o'clock on the morning of September 28th, when only four hours now stood between us and the expiration of the ultimatum, that a new fact occurred. Lord Perth requested an audience and was immediately received by me. With deep emotion he advised that Chamberlain was appealing to the Duce to use his good offices with the Fuehrer during the last hours when peace might still be saved. (Acclamation of Mussolini) When I went to Palazzo Venezia and transmitted this communication to the Duce, he immediately and personally got in touch with Ambassador Attolico and gave him the following instructions: "Go at once to the Fuehrer and, making it clear first of all that I shall be with him whatever happens, tell him that I advise him to postpone the beginning of operations for 24 hours. Meanwhile, I shall study and make a proposal on what must be done to settle the problem." That telephone call, comrades, spared humanity a tragic test. (Great ovation for Mussolini)
Our Ambassador immediately got into touch with Hitler, who at the time was talking with the French Ambassador and obtained his consent to the Duce's proposal. I have no hesitancy in affirming that such a request from anyone else, whoever he might be, would have been uncompromisingly refused by the Chancellor of the Reich. (Applause)

Meanwhile Lord Perth returned to Palazzo Chigi. This time he brought a concrete proposal for a four-power conference for the immediate settlement of the dispute. The Duce, who by that time was informed of Hitler's acceptance of his proposal to postpone operations for twenty-four hours, sent through the Ambassador a second personal message to the Fuehrer reading as follows:

"1) Thank the Fuehrer for having agreed to my suggestion of suspending mobilization for 24 hours; 2) along with a personal message sent me by Chamberlain advising demarche made to Hitler, am informed that text of letter which Chamberlain sent today 28th to Hitler; (3) that letter, which perhaps will be made public and of which I am transmitting you the text, contains proposals which I consider acceptable, namely Chamberlain's return to Berlin to liquidate the problem in not more than seven days, the Czechs being present and, if Hitler desires, also the French and Italians. Italy is naturally in favor of participating. It is my conviction that Hitler would in this way win a victory which I do not hesitate to call grandiose from the material viewpoint and from the viewpoint of world prestige."

At 3 p.m. Attolico telephoned that the Fuehrer agreed to the proposal, but on the fundamental condition of the Duce's personal presence at the conference, which was the sole...
sole guarantee of success. (Great applause) He left it to the Duce to choose whether the Conference would be held at Frankfurt or Munich. The Duce agreed, and chose Munich. The conference was called for eleven o'clock the next morning. At 6 p.m. the Duce left. Never has a trip been watched throughout the world with such emotion and anxiety and with more unanimous hopes, although by that time the intervention of the Duce had given to everybody a supreme certainty of success. (Applause)

At Kufstein, the Duce met the Fuehrer. The two leaders held a long conversation in the Chancellor's train on political and military matters, during which one point was established, the necessity of reaching an immediate conclusion and not permitting the Conference to stray into the treacherous meanders of procedure and rhetoric. (Applause)

At Munich Mr. Chamberlain and M. Daladier had already arrived. The Conference began. The rest of the story is familiar. But it is worthwhile noticing once more that it was the Duce who led discussions onto practical grounds, submitting a plan which the German government had in principle agreed to from the beginning and which was, save for the inevitable variations in form, adopted as the final solution, and that it was the Duce who brought up the question of the Polish and Magyar minorities, as well as suggesting the immediate formation of the executive committee which subsequently proved extraordinarily useful in applying the agreements.

The dispute which for years had been the subject of polemics and study, which had to no purpose occupied jurists and statesmen, and which for many long months had jeopardized....
jeopardized the peace of Europe, had been solved; and the
duce, after only twelve hours in Munich, was able that same
evening to leave for Italy, hailed by the German people.
Not by pure coincidence did they remember that exactly one
year before, in the great Maifeld meeting in Berlin, the
Duce had said: "Fascism has its code of ethics which it
intends to remain faithful, and this is also my personal
code: to speak clearly and frankly and when one has a
friend to walk with him to the end of the road." (Applause)

It was this principle of the fascist code of ethics
which made of the axis a sure and powerful instrument and
one which would carry decisive weight in the course of
history. Munich not only marked the solution of a con-
tingent crisis, but it had a far broader political impor-
tance, upon which it is perhaps still today premature to
pass judgment. At Munich not only were Germany's national
rights to the Sudeten provinces restored, not only was
Italian prestige giganticly heightened by the Duce's work
and the conduct of the people, but many facts, doctrines,
and institutions have already felt and will still further
feel the profound influence of this extraordinary event.
(Loud applause)

All developments subsequently taking place in Europe
must be considered in the light of Munich. The Czech-
Polish dispute having been settled directly between Warsaw
and Prague, the dispute between Czechoslovakia and Hungary
was still open. The negotiations between the plenipoten-
tiaries of the two countries had repeatedly failed. The
question appeared indeed too thorny in substance to find
a solution through diplomatic conversations. The tension
between....
between Hungary and Czechoslovakia had become most acute and was taking on alarming aspects, when the axis was able to again render great service to the cause of peace. Only Italy and Germany, through the prestige surrounding them in Eastern Europe, the great interests which both countries have in that region, and their identical desire to ensure just peace there, could assume the difficult task of handing down an arbitral decision that would end the dispute. At Vienna this was done by the two countries of the axis in a spirit of full solidarity and complete understanding. Also in the latter Sub-Carpathian developments there has been complete identity of view, regardless of reports to the contrary in the usual press. Italy and Germany, in other words, have considered — and the interested parties have supported them in this — that a frontier which was drawn up and solemnly accepted scarcely twenty days earlier should not be brought into question. The arbitral award was the result of patient examination and inspired by criteria of strict impartiality. A great injustice had been repaired. Nor is it without significance that Italy was called upon to act as arbitrator in a dispute based upon a conflict of nationalities in that city of Vienna which for so long a time had represented the negation of the rights of Italian nationality. (Applause) And we Italians, who had heard the voice of the Duce as the first to be raised in defense of mutilated Hungary, have with intense emotion seen the old Hungarian flags return to the cities torn from the country by an iniquitous treaty and have recalled how chivalrously close to us the Hungarian people were when an unforgettable coalition of governments sought to slip about the threat
of Italy, then engaged in war, the moose of the League.

(Loud applause and expressions of sympathy for Hungary)

(England)

Comrades, the development of the European situation since Munich and Vienne has made it possible to affirm that a rift has appeared in the political horizon. Fascism, which has concretely demonstrated its unalterable calm in hours of trouble, does not change aspect even when significant signs of improvement are seen in the air. Just as we refuse to be shaken by alarmist panics, so we steer clear of dangerous optimism; this does not, however, prevent us from noting with satisfaction every effective, valuable, and peaceful achievement. Among these we recall in the first place the recent application of the Easter Pact, which placed the relations of Italy and Great Britain on a footing of solid, friendly collaboration. (Prolonged applause)

The Italo-British accords, so closely linked with the names and action of Neville Chamberlain, Lord Halifax, and Lord Perth (applause), by no means represent a return pure and simple to traditional friendship as it was known in times far different from the present. (Applause) They are, instead, a series of agreements which, taking into account the new realities of Europe, the Mediterranean, and Africa, regulate on a basis of absolute moral, political and military equality (Applause) the relations between the two Empires.

The entry of the Easter Pact into operation represents an effective concrete contribution to the consolidation of peace. This consolidation is and will be the great objective...
of our policy and we shall pursue it with a tenacity and realism not separate from that circumspection which is indispensable when one intends to safeguard with inflexible firmness the interests and natural aspirations of the Italian people. (Applause, and from various sectors of the Chamber, cries of "Tunis, Djibuti, Corsica")

(France)

Comrades, the vision of a united, armed, combative Italy winning its empire, tracing for the peoples just boundaries, setting forth from Rome the paths of reconstruction, enlightened the lives of our great men and the passing over of our heroes. This vision now returns to us, transformed by the Duce into a formidable reality of power and justice.
Summary of Despatch No. 1182, from Embassy at Rome, dated December 2, 1938.

Subject: Speech of the Italian Minister for Foreign Affairs.

This despatch is good history and worth while reading in full if you have time. With regard to Count Ciano's allegations as to the extent of Italian mobilization before the Munich conference, the Embassy comments as follows:

"For the first time the extent of Italy's military preparations during the crucial period of the September crisis have been made known (a report of the Military Attache analyzing the significance of the preparations is attached). Count Ciano called attention to the increase in the strength of the Italian army from 250,000 to 550,000 men on September 27, and to the naval precautions taken, a partial mobilization decreed by the Chief of the Government when he learned of the German decision to take military action against Czechoslovakia on September 28 instead of awaiting the expiration of its ultimatum on October 1. This decision had been communicated to the Italian Government on the evening of September 26. Ciano announced, however, that at the same time Mussolini still believed that, for military and strategic reasons which he could not specify, the conflict between Czechoslovakia and Germany would be localized. As indicated in the Embassy's previous despatches relating to the Czechoslovak crisis, this belief would seem to have been based on an assumption that in the ultimate analysis Great Britain and France would not be willing to fight and only when it was made clear at the last minute that Great Britain felt that war was unescapable was the necessity for immediate action made clear if a conflict in which Italy would have been involved was to be..."
be avoided. Otherwise it is difficult to understand why, if Mussolini had been informed two days in advance of the German intention to move into Czechoslovakia on September 28, he took no mediatory action until only a few hours before the crucial time.

"In giving further evidence that Italy would have been allied with Germany had it not been possible to reach an agreement, Ciano admitted that it had been considered necessary to establish more specifically the bases of a military and political understanding with Germany and that a meeting between the two Foreign Ministers and the Chiefs of Staff of the respective armies had been planned for September 29 at Munich."

It would seem, therefore, that Mussolini led the Italian people up to the last millimeter short of war and then very wisely retreated. In my opinion it is doubtful that he will dare to repeat the performance very soon again. When Mussolini paused after Munich to take stock of the situation at home, it is probable that he discovered that a formidable section of public opinion resented the fact that he could have acted so rashly as to bring the country to the brink of a general European war, especially since the dispute did not concern directly the Italian people. Mussolini never loses sight of the fact that his position and power rest above all on popular consent and the discovery therefore of this temper among the people must have made him a chastened man at least for some time to come.
In view of the foregoing, the present tub-thumping in regard to France, in so far as it may signify Italian readiness to embark upon a general European war, sounds nollower than usual to me. Had it taken place before Munich, I should have felt much more concern than I do at present.
ITALY (GENEVA - GENERAL)

Subject: National Defense Policy Pertaining to Army, Navy, and Air - General

Italian Military Preparations during Czechoslovakian Crisis.

This report generally confirms and elaborates the data given in Report Italy No. 16,782-8650 October 7, 1938.

In his speech before the Italian Parliament, at its opening session on November 20, 1938, Foreign Minister Ciano made a speech devoted in most part to the position of Italy in the Czechoslovakian crisis and gave the following resume of the military preparations taken by Italy at that time:

August 30th measures were started to complete and perfect the organization of the frontier covering forces.

August 50th the round the world cruise of the 74th Naval Division was suspended.

September 30th II Duce had knowledge that Hitler had given his ultimatum to Czechoslovakia, to terminate at 2,000 h. on September 30th. II Duce still felt that if a conflict resulted, it would still be circumscribed and localized; however, as a precept of the 27th and gave orders to that effect (Note by H/A Portions of the Classes of 1910 and 1912, Sec Report 745, 16,782, Oct. 7th 1938).

On September 27th in order to arrive at a definite understanding with Germany as to the Italian-German military-political phases of the situation a conference at Munich was arranged between the German Foreign Minister Von Ribbentrop and the Chief of the German General Staff, General Von Halder, and the Italian Foreign Minister Ciano and the Italian Chief of Staff, General Palmieri and Chief of Air Corps General Valle (Note by H/A: due to subsequent events this conference was never held).

The above mentioned precautionary measures resulted in the following:

Frontier guards and covering forces brought to war strength.

Antiaircraft defenses of Piedmont, Liguria and defenses of the Adriatic sea coast brought to war strength.

Following Alpine divisions brought to war strength:
1st Division "Carinena" - Torino
2nd Division "Vidzentina" - Novara
4th Division "Sanseuse" - Cano
Increase in the strength of the 1st Army Corps, Torino and the 2nd Army Corps Alessandria.

Any of the "98" (Note by H/A: New mobile army composed of "Bravo", "Antonino" and "Carrarese" divisions) brought to three-quarters war strength.
Reinforcement of the garrisons of Pantelleria, Libya, and Libia.

IX and XII Corps in Libya brought to war strength.

XII Corps, Sicily and XIII Corps, Sardinia brought to war strength.

In all about 200,000 men were called to the colors, bringing the army from a strength of 250,000 to a strength of 280,000 in a few days.

The Air Corps, on paper, was organized into 4 air fleets and the commanders of these fleets designated. Plans were made to occupy war emergency landing fields in case of necessity and a few reserve personnel were called to the colors. However, in general the existing Air Corps was believed to be ready for service without the necessity of many additional measures.

The Navy was placed on a war basis and by daylight on the 29th September the following ships were ready for war service:

- 22 Battle ships and Cruisers
- 12 Destroyers
- 91 Submarines
- 287 "Lio" boats
- Nine layers and minor units. With a total complement of 9125 officers and 94,731 non-commissioned officers and men.

Comment:

The above data conforms in general to the data previously reported in Report No. 16, 732-2660.

As far as could be observed at the time, this partial mobilization proceeded quietly and efficiently and indicated that the Italian mobilization machinery is well organized to effect a rapid mobilization.

However, I have heard from several sources in a position to know that the reserve stocks of supplies and equipment are very much depleted and could not have supported a major effort for much over three months.

For report on Count Ciano’s speech in general attention is invited to Embassy dispatch of this date on this subject.
This telegram must be closely paraphrased before being communicated to anyone (C).

FROM
ROME
Dated January 13, 1939

SECRETARY OF STATE
Washington

14, January 13, 2 p.m.

STRICTLY CONFIDENTIAL,

Halifax sent for me this morning and told me the following in strict confidence.

The conversations opened at the Palazzo Venezia with a statement by the Duce which had been evidently prepared in advance. He used notes, spoke in Italian and Ciano translated for him. Mussolini referred to his need of peace for domestic reasons as well as in his foreign policy. He dwelt upon his domestic needs convincingly. He referred to the commitments under the British-Italian agreements of last April and reminded Chamberlain that the Italian Government had every intention of carrying out their undertakings to the full. He further emphasized that the Italian Government had no territorial ambitions whatsoever in Spain or Spanish possessions.

Chamberlain raised the Jewish problem and asked whether Mussolini could do anything to help solve it. The latter replied that the problem could only be solved by granting
granting the Jews a state of their own and mentioned, with perhaps a twinkle in his eye, that Russia, the United States and Brazil might be willing to help in this connection. Chamberlain replied that any such plan would take time and consideration and that the problem was an immediate one. He hoped that Hitler would be lenient in his treatment of the proposal for Jewish emigrants from Germany and would allow them to take with them ample funds at estern, at estern. Mussolini replied that he would do what he could in Berlin in this connection.

Halifax thinks that if there is a favorable response on the part of the Germans to Rublee's efforts in Berlin the British will feel disposed to give Mussolini "a pat on the shoulder" and he thinks that possibly the President might be willing to do likewise.

(END SECTION ONE).

PHILLIPS

HTLPEG
This telegram must be closely paraphrased before being communicated to anyone. (O)

EDH

FROM

ROMA

Dated January 13, 1939

Received 11:15 a.m.

Secretary of State

Washington

14, January 13, 2 p.m. (SECTION TWO).

The second conversation between Mussolini and Chamberlain took place early last evening and I understand is the final one. Mussolini declared that while the Rome-Berlin axis remained the basis of his foreign policy this was no reason why Italy should not have cordial and friendly relations with other countries. Chamberlain referred to the fact that the British relations with the French were as close and cordial as Italy's with the Germans and he hoped therefore that Italian-French relations could be improved. Mussolini insisted that the so-called demonstrations in the Chamber of Deputies with regard to Djibouti and Corsica were purely spontaneous and did not represent the attitude of the Government, that the French reactions to these unofficial demonstrations had been most regrettable and that now he was not disposed to do anything with regard to the French until a calmer and better atmosphere had developed.
developed between the two countries. Mussolini did not mention by name Tunis, the Suez Canal or Djibouti and it was evident, said Halifax, that there is no intention of pressing upon France any of these subjects at the present time. In reply to Chamberlain's inquiry as to why the Italian Government did not give such reassuring statements to the French Government Mussolini indicated that he did not desire at the present to take any steps directly with the French Government.

With regard to the Spanish situation Mussolini was certain that France would win ultimately and that it was a pity that the French were not prepared to recognize this fact. He was not disposed to withdraw any more Italians at present and the British were assured that the Italians in Spain now numbered only between twenty and twenty-five thousand men, a number which Lord Halifax told him checked with the British figures.

Chamberlain raised the question as to whether the Italian Government would be prepared to join with the other three powers in a guarantee of neutrality for Czechoslovakia. Mussolini agreed but felt that preliminary to any such action the new frontiers should be carefully delineated on the ground.
This telegram must be closely paraphrased before being communicated to anyone. (C)

FROM
ROME

Dated January 13, 1939
Rec'd 1:16 p.m.

Secretary of State,
Washington.

14, January 13, 2 p.m. (SECTION THREE)

The subject of disarmament was also discussed and the British seemed impressed with Mussolini's statement that something might be done along conciliatory lines. In reply to my inquiry as to whether the British intended to follow up this matter with the Italians, Halifax thought that there would be an exchange of views on the subject.

Chamberlain asked what Mussolini would care to tell him about Hitler's program and reminded him of the general impression that Germany's increased armament was being considered in other countries as preparation for war. Mussolini insisted that Hitler's program was a peaceful one and that Germany had no intention to cause trouble with the western powers. Hitler's plans too in Eastern Europe were wholly pacific. Mussolini did, however, indicate that the conditions of the Ukrainian people were so pitiful that German help would be of benefit to them.

Halifax
Halifax had a conversation last evening with Ciano and discussed further the Spanish situation. Ciano assured him that no additional men had been sent to Spain since the withdrawal of the ten thousand. There had been, however, some replacements of war material. Ciano said he had positive information that the French were continuing to send supplies and men. Ciano also assured Halifax that the Italian Government had no territorial ambitions in Spain but in order to recoup financially would seek to improve their commercial relations but not at the expense of other powers.

Halifax feels that the conversations have been helpful and that the positive assurances given by the Duke of his peaceful intentions and that he is not pressing for the settlement of any of the French-Italian problems until there is a more favorable atmosphere, is something gained.

He added that in due course he would communicate to the Secretary of State a more comprehensive summary the conversations.

(END MESSAGE)

PHILLIPS

RR

CSB
TELEGRAM RECEIVED

This telegram must be clearly paraphrased before being communicated to anyone. (B)

FROM RO.E
Dated January 17, 1939
Rec'd 4:10 p.m.

SECRETARY OF STATE,
Washington.

(19, January 17, 7 p.m.
CONFIDENTIAL

I called yesterday on Ciano to inquire regarding the Italian attitude with respect to the Chamberlain visit. Ciano replied that he had nothing to add to the official communique published at the close of the conversations and the I.D. communique issued January 15. He emphasized, however, that the decision had been taken to do nothing with respect to negotiations with France until the Spanish situation which was the one stumbling block to the resumption of good relations between Italy and France had been cleared up.

Newspaper editorial comment published over the weekend stressed Italian pacific intentions and gave considerable prominence to the exchange of telegrams between Chamberlain and Mussolini in which the latter had insisted upon maintenance of peace "according to justice". On the other hand
hand the Italian press has now resumed its anti-French polemics in an exceptionally violent form basing them principally upon isolated news articles which have appeared in French newspapers containing aspersions on the valor of Italian troops. These have been bitterly presented by the press of Italy which throws the entire responsibility for the present tension upon France and its "provocative attitude".

Concerned by the violence of the anti-French articles which seem to have culminated today in another highly abusive article in the TEVERE I called upon the French Ambassador. Francois-Foncet confirmed my impressions that the Italian press campaign was designed to put fear into the French Government and so prevent their sending supplies at this critical moment to Catalonia. Although some war material might be furnished the Ambassador was convinced that his Government had no thought whatsoever of sending men. Any such move would be an absurdity he said and would have been made long ago if the French Government had decided on such a course.

The
3-#19, From Rome, Jan.17,7p.m.

The Ambassador referred to the visit of Chamberlain and Halifax and said that he could not share their view regarding the pacific nature of Mussolini's intentions. He is convinced that Mussolini is determined to get something for Italy from the present situation which he regards as "serious".

PHILLIPS

NPL