Memorandum of European trip, July 15 - August 20, 1936:

European travel is very heavy this year, forty-two per cent greater in June, 1936, than in June, 1935.

I crossed eastbound on the S.S. MANHATTAN and returned on the S.S. WASHINGTON. Notwithstanding this fact, however, I was reported in London soon after arrival as having used the S.S. NORFOLK in going over and I find in the press a statement to the effect that I had returned on a foreign vessel. Shall we ever be able to enthuse people for truth over error and to be as industrious in seeking constructive facts as they are in dwelling upon destructive and sensational material?

An analysis of the passenger list on the MANHATTAN going and the WASHINGTON returning showed forty-four states represented on the passenger lists. If travel is characteristic of good times, and it is at least indicative, then the depression is over in the United States.
These two ships of the United States Lines are excellent and popular. They are attracting much favorable comment, both among Americans here and the people of Europe. As a matter of fact, I understand that the Cunard White Star Line is about to order four ships of the same general type as the MANHATTAN and WASHINGTON, about the same size and about the same speed. What greater compliment could be paid them? We need a third ship to complete this unit of three for European travel and certainly ships of similar type in the development of our South and Central American trade. I believe that the financial success of the MANHATTAN and WASHINGTON will encourage private financing, if the government will work in this direction under a definite policy which I feel can be set up under the new Maritime Act.

I was informed at the office of our Commercial Attache in London that the schedule for the recent dispatch of official mail from London to Washington does not include a single American vessel although American ships were available on the sailing dates given.
Of seventeen dispatches mentioned on the attached sheet, APPENDIX I, nine are on German ships, five on British ships and three on French ships. I will bring this matter to the attention of the State Department.

In connection with the administration of the ship subsidy feature of the new act, it is interesting to note the difference in the cost in ship-building in England and the United States. In the attached letter from Captain J. G. Furer, Naval Attache at London, APPENDIX II, it is shown that the earnings per year of the average employee in the mechanical forces in British dockyards are about $808, covering 2,365 hours, or $.34 per hour. This compares in the Philadelphia dockyards with $1.01 per hour. This is a rate three times greater in America than in England, but I am unable to state the comparative efficiency of labor in the two countries.

I spent most of my time abroad in London and its environs, but about four days in and about Berlin where I went for the primary purpose of witnessing the opening of the Olympic Games.
In London I met numerous Americans and while I found violent differences in opinion as to the political situation in the United States I did not find enthusiastic support for Governor Landon. Some of the Republicans admitted that they expect Roosevelt to win in November. The Evening Standard Newspaper of London stated that in interviews which they had conducted with some American business Republicans they found that while they are not for Roosevelt they feel that Landon's election would bring unrest in labor groups and probably give business men greater trouble than may be expected under Roosevelt. Some Republicans give me as the reason for opposing Roosevelt the fear of labor activities in the future under John L. Lewis. My reply was that Roosevelt has the confidence and support of labor, while Landon has not. Hence, labor troubles would be expected to be less during the next four years under Roosevelt than under Landon. The fear was expressed by this person that Lewis would be developed as a leader of a new party movement by 1940.
I stated, and with I feel some success, that labor agitation under such a leadership would naturally be greater under Landon, whom they opposed, than under Roosevelt, whom they approved, and that therefore a vote for Landon would under this analysis be a vote for Lewis and other labor leaders in 1940.

I feel it would be helpful when opportunity is offered to say that now as the depression is over the plan of the President for the immediate future will be to consolidate gains made in the recovery program and plan for a normal condition of business for the future. A statement to the effect that research was going to be made to find out the best way of accomplishing this in the interest of business and all other classes of our citizens would be helpful.

I was told in London by persons from Paris that agents from the United States are canvassing in Paris for money contributions to the anti-Roosevelt campaign. Representatives of the Liberty League were cited.
Would it not be well to let it be known that foreign countries are thus being enlisted to fight the Washington Administration, emphasizing that in politics Americans at home and not those living abroad as parasites on this country should govern this country?

Business conditions in southern and central England are good, but influenced to a considerable extent by war preparations and tourists, consequently not as general throughout the country and not of as lasting character as many citizens would have us believe. In fact, one prominent citizen remarked to me that they recognized that our recovery is more general in America and of a more lasting character than theirs. Unemployment is still a very troublesome problem in England. The influence of the dole lingers and the unemployed do not eagerly seek private employment. Especially is this true in domestic lines. However, I was told that many of the unemployed are really unemployable. To what extent, I was unable to ascertain.
In many areas there is not sufficient work for the workers resident on account of the spotted condition of recovery and in other districts there is more demand than employables are available. Under English democratic procedure it has been impossible to shift more people from one area to another for employment. Many of the unemployed prefer to sit at home and draw the dole rather than to be moved into other localities where employment might be secured.

Agricultural crop conditions in England, Germany and Holland, as I saw them, are good. The man power needed on the farm in instances is being drawn into activities incident to war or defense preparations. This will soon be felt in reduced food supplies if war conditions continue much longer.

The conditions abroad and the persistent drought conditions in our country impress me with the necessity of our studying problems for national and local warehousing of our surplus food commodities.
An announcement that such studies will be launched for our country would appeal, in my opinion, to everybody.

I inspected the home-building programs in England and Germany which are employing many persons. While I got suggestions from each country, the German program seems more nearly to approach our needs. In England the building program is managed very frequently under industrial leadership for industrial purposes, the houses being built often in rows and with inadequate ground plots to attach the occupants to the soil. In Germany there is a more definitely controlled plan to connect the tenant or owner with the soil. It, however, must be kept in mind that their military control is more effective in changing attitudes of thought and action among the people than in the more democratic
In Germany the title to the home and the plot of land attached thereto do not pass to the occupant until it is demonstrated to the satisfaction of those in control that the land is being cultivated as directed in vegetables, fruit trees and flowers.

The homes are constructed in groups, say, ten, twenty, or fifty house groups, usually employing the heads of the families who are to be attracted from the cities, but no person knows which house is to be his while it is under construction. This is intended to protect against the possibility of preferential treatment to one's own house. After the group of houses is completed, the workmen draw lots for their individual houses.

The rural home in Germany consists of a plot of ground of about one-sixth to one-fourth of an acre with a detached house.
In England there is probably from one-sixth of an acre to one-eighth, with mostly row houses. In Germany the house is generally constructed of concrete and consists of about four rooms, usually without running water and stove heat, the house costing about $1200. The rate of interest is about four per cent or five per cent under an amortization of thirty to forty years. In England the same type of home now being built for correspondingly conditioned persons consists of about the same number of rooms as Germany, but with running cold and hot water, meagrely heated by electricity, and costs about three thousand dollars when bought, or rents for about twenty-two to twenty-five dollars per month. Brick or stucco material is more generally used here.

There is plenty of money available for the construction of homes in both of these countries, but greater caution is exercised in providing money for industrial building as every effort is made to safeguard against over-building in industry.
From the best information I could get, the need is such that the home-building program in England will probably last about eighteen months longer. Money is somewhat easier in England, the rate of interest being as low as $3\frac{3}{4}$ per cent. Builders get it at the banks for $3\frac{1}{2}$ per cent and lend it at $3\frac{3}{4}$ per cent. This, however, does not carry an amortization feature.

The cost of living is high in England and while it is less in Germany I was told that it was there rather rapidly increasing. For instance, the cost of electric light and power in London averages from twenty-five to fifty per cent higher than in Washington, D. C. Food averages up to eighty-five per cent higher. Men's clothing is nine per cent higher; women's clothing thirty-three per cent higher. Rent is forty per cent higher and the all-round burden if taxation, direct and indirect, substantially higher in London as compared with Washington. For confirmation of these figures, see APPENDIX III, being a memorandum on this subject furnished me in London by our Commercial Attache, Mr. Lynn W. Meekins.
A casual study of the mechanics of British trade credits convinces me that there is here an important lesson for us. In London we find banking facilities for easy and quick credit discounts for trade in and with all of their dependencies. I am wondering whether a service to our business people cannot be rendered by accumulating in the Bureau of Foreign and Domestic Commerce a reference library of credits information through the activities of our commercial attaches in the countries with which our business people desire to trade. This could be associated with efforts to prompt our banking houses to enter more extensively into the field of credit discounts. I am aware that this service is being rendered to some extent through the banking institutions, such as the Chase, the National City and Guarantee Trust, but more information for a more general distribution among the people is necessary.

The British government through its Department of Overseas Trade and its Export Credits Guarantee Department, both of which are allied with the Board of Trade, corresponding to the Department of Commerce in the United States, maintains an exceptionally complete information service covering foreign buyers.
This information is kept up-to-date and any sign of deterioration in the standing of a foreign concern is speedily detected and brought to the attention of those concerned. One advantage of the British system of direct contact between the Export Credits Guarantee Department and the British exporter over the system of indirect contact through private banks is the greater ease with which credit information on foreign firms can be centralized. The same purpose is facilitated under the comprehensive guarantee contract by the requirement that exporters shall divulge details of their experience with all foreign firms with whom they do business.

This would seem to be quite in contrast with the situation in Germany and with which our government has been recently acquainted.

It seems to me that we might start this credit work with Canada and Mexico and reach out as quickly as possible into Latin America, the idea being that our business people would secure an up-to-date service in this way. I take it that we would not wish to list any credit information for any person or concern of a credit standing less than in the class of five to ten thousand dollars.
We certainly should not encourage shoe-string credits, but assist in finding a substantial basis for our business people.

In line with a broadening commercial service, I feel that we might consider grouping the service of the Department of Commerce in the great cities abroad, like London, Paris, Berlin, Rome, Madrid, etc., and place such concentrated Department of Commerce service under highly qualified men who would be given adequate compensation and be allowed sufficient travel funds to enable them, with the approval of the State Department, to develop the proper commercial connection with the consular service of that Department. This would be effected by commissioning such officers for both the State and Commerce Departments and then having these men trained in commercial thinking and commercial contacts through the general medium of the officer of the Department of Commerce. In this way the Department should get a consolidated and well analyzed report from our central representatives, avoiding duplicating reports and misunderstandings and confusion among the officers of the two Departments.
It is my conviction that too many representatives of the Departments in Washington are traveling over Europe. Much of the information which they are seeking could be better secured, in my opinion, and more safely analyzed by our own resident representatives in those countries. Not so to use them is to reflect upon them. It is calculated to influence the people in these countries to think that our representatives are not adequate for their duties. Furthermore, duplicating inquiries as they visit from office to office is not in the interest of the best service or for the best results.

Would it not be well to endeavor to correct this by seeking through the President's Executive Council or through some other agency a review from month to month of the needs on the part of the various departments of the government for foreign information with a view to seeing whether such information could not be better obtained through existing agencies abroad or, when travel is necessary, by coordinating under as few travelers as possible?
The office of the American Commercial Attache in London is excellently run by Mr. Lynn W. Meekins, who has a splendid staff. In 1951-52, the last complete fiscal year before the present Administration, the staff of that office consisted of ten Americans and sixteen local employees. The cost of operation was $85,317. The number of reports sent to Washington that year was 814. The number of inquiries answered was 2,975. The number of trade opportunities transmitted was 58. In the fiscal year 1955-1956, the staff consisted of four Americans and eight local employees. The cost of operating the office was $56,902. The number of reports submitted to Washington was 1,566. The number of inquiries answered was 2,500. The number of trade opportunities transmitted was 97. These figures show that the London office is currently performing the same amount of work with half the number of employees of four years ago. I feel, however, that we have reduced this office too much.
It is interesting in this connection to observe that the present salary of the Commercial Attaché there is $8,000 compared with $9,800 for the Consul General in London and also with $15,530 for the British Commercial Counselor in Washington who has also allowances to the amount of $8,000 per year.

APPENDIX IV sets forth the comparative salaries and allowances in the British Commercial Diplomatic Service and in the corresponding United States Foreign Commerce Service at comparable European posts during the past fiscal year, 1955-1956.

At my request Commercial Attaché Meakin submitted to me recommendations with regard to the increase in salaries of the force at London, shown in APPENDIX V. I am not at this time recommending the approval of these suggestions because I do not know how such would fit into the scheme of responsibilities the serve, but I do think they should be kept in mind when we come prepare our estimates for the next fiscal year.
The greatest surprise of my trip was Germany. I was in that country eight years ago and the changes which have taken place in the country and among its people in the meantime are nothing short of marvelous. In contrast to the drifting, distressed and aimless appearance of the people eight years ago, I found this year a well organized people, perhaps I should say a well regimented people. The sources of my information indicate that while Hitler has not any ninety-nine per cent of the people with him he does have from sixty to seventy per cent behind him. The opposition is entirely unorganized and relatively inactive. I got on this trip a better idea as to the objectives of the Hitler program. It is in my opinion a restored Germany, bringing it back, so far as territory is concerned, to the conditions before the World War, and really better federated. It is today freer of fear than any other country that I visited or of which I heard.
It is rapidly in this respect approaching what may be called a central power with a definite program and with a very close organization. The Nazi flag is now the German flag, as I saw it flying from most of the houses in the rural districts which I visited. Of course, it must be admitted that I was in Germany during the Olympic Games period and when Germany evidently had its best foot foremost. The steps which, as I gathered, were responsible for the present organized condition of Germany may be traceable in a measure as follows. The yielding or breaking down of the League of Nations started with the Manchurian incident and gave Germany hope that they had not before dared to have with regard to their reorganized Germany. This was followed by the failure of the British government to interfere more strongly in the Ethiopian situation. Next, the reoccupation of the Rhineland, I was told, was most invigorating for the hope of a reunited Germany and greatly helped Hitler in his control.
The recent understanding worked out with Austria is a further encouragement to this end. The next step in the opinion of most of those with whom I conferred will be toward Danzig, then to reunite the three and one-half million German-speaking people in Czechoslovakia. The latter can be accomplished through a Plebiscite, but I take it that a military occupation would be necessary in order to effect a Plebiscite. It is my conviction after numerous contacts with many persons, including Dr. Schacht, that the German people do not really wish war, but they are very definite in their purposes to accomplish their aims and will be willing to go to war rather than fail in these purposes. If war must be, then, in the opinion of those with whom I talked, some time must be required to complete their preparations, probably from one year to three years. Raw materials are now very scarce, not sufficient to run their plants over a month.
The development of air commerce in Germany is remarkable.

I did not personally inspect their manufacturing plants, but I talked with Colonel Charles A. Lindbergh who had just inspected their leading aircraft manufacturing plant just outside of Berlin. He was greatly impressed with it and told me that it was equal in size to a combination of any three manufacturing plants in America. While this rapid development is probably responsible for their great volume of accidents in recent months, it is the opinion of Colonel Lindbergh that under their control and emphasis on training this can be gradually overcome. I visited the Aero Club in Berlin where I had the opportunity of meeting some of their personnel and inspecting their training equipment. The investment they have made in their air defense lines, housing, training of personnel, manufacturing and war materials is most remarkable.
Our trade relations with Germany were very tense over the weekend that I was in Berlin. They were very much worked up over our inquiries touching countervailing duties. This, however, has, I find, been worked out since I was in Berlin. There is one thing we must keep in mind. It is that these foreign nations all feel that we are easy and that there is always hope of getting us to relent in any program suggested.

Germany keeps her money in Germany and the way in which our American business men are trying to cope with this situation is both interesting and amusing. I was told that the Standard Oil Company in order to get some of its money out of Germany is accepting one thousand mouth organs, evidently thinking that the American people are becoming quite musical, as their hope will be to sell them here. Another company, I was told, has agreed to accept two hundred thousand canary birds in order to entertain the musically inclined people in America.
Still another one was thinking of accepting in lieu of a certain amount of their money a considerable order of glass or false eyes. I myself resent the idea that our people are either one-eyed or that glass eyes are better than the eyes we have.

There is one phase of the Hitler regime that offers valuable suggestions in connection with our youth movement. He has taken off the streets and from the racketeer groups the youth and put them into uniform with physical betterment, with self-control. On the occasion of the opening of the Olympic Games I drove through ten miles of double lines of these uniformed people, but was told they were not soldiers, though they looked like soldiers, but that a portion was glorified boy scouts. My study of the objectives and results of the Olympics suggests that there may be a place for something on this order in the C.C.C. camps of our country.
It is also my opinion that it may be well to give consideration to the prompting of the reorganization of the effort, as we knew it in the World War, called the National Council of Defense, using such state organizations under national guidance as in the World War to study the various community conditions throughout the country and place greater responsibility on governors, mayors and others. In dealing with our general internal defense situation, such an organization ought to be useful in ascertaining who are worthy and needing of relief as against imposters as well as helpful in finding local employment and in starting new industries to this end.

We need also to prompt the educational institutions of the country to render service more commensurate with the future requirements of the country. As a part of such a general program, I feel that we need through the Civil Service Commission, assisted by the Bureau of Education, to work out a national course of training cooperating where possible with vocational educational programs. For instance, we need nation-wide training for service at sea, on highways and in the air more definitely connected with patriotism and human betterment.
Such a course of study might be adopted by all schools, colleges and universities as would cover civics and the general attitude of those taking the course with regard to government, the fundamental elements of character. Those persons who passed a proper percentage could be recorded in a reserve corps list of executives and drawn upon by governors, mayors, as well as federal officials, with safety for public service. West Point and Annapolis are discharging their responsibilities splendidly toward external defense. Let us safeguard our internal defense, and increase efficiency and safety.

The sorest spot in Europe is Spain. In the early weeks of revolt it was hoped that the conflict would remain internal without international complications, but lately there is accumulated evidence that several other countries may become involved. Italy particularly is interested in increasing her power in the Mediterranean and to that end would welcome a pretext to obtain the Balearic Islands.
Generally speaking, Russia and France are sympathetic to the Spanish government or what is left of it, while Germany and Italy seem to sympathize with the Rebels. The British attitude is one of neutrality and the hope in Great Britain is that the trouble in Spain will be overcome without the active intervention of other countries. The British government can only support the Spanish government, the duly elected representatives of the Spanish people, but the great majority of people in the British Isles would like to see the Rebels succeed and establish a strong government, preferably including the restoration of the monarchy.

I found the House of Commons discussing international relations, including the League of Nations and Spanish conditions, but most of the time that I was present at their discussions they were endeavoring to pass an unemployment assistance bill. This involved the House in fifty hours of continuous discussion before it was passed. The Labor leaders made a political issue of the Means Test which gives the officials of the government more or less discretion in acting upon applications for relief. The government finally won in securing the discretion sought.
On the surface there are many indications of prosperity in London, but I am told that in nearly three-fourths of the eleven million families in the country the chief wage-earner receives less than four pounds or about twenty dollars a week. In about one-fifth of the families between twenty dollars and fifty dollars a week is received and in only one-twentieth of the families more than fifty dollars a week is received. In other words, national wealth and income are by no means so well distributed in Great Britain as in the United States. Furthermore, wage levels have not increased in Great Britain to an extent comparable with the rise we have experienced, although during the first half of 1936 the full-time wages of two million British workers have been increased by about seventy cents each per week as a result of conciliation.

The British government is grappling with the highway accident problem, which is steadily becoming more serious. The comparatively few wide streets in London and the modern highways outside are very inadequate to handle the steadily increasing volume of motor traffic.
The situation is greatly confused by the fact that jurisdiction over city streets and country highways is divided among a large number of local authorities. This prevents any uniformity of administration, construction and maintenance. The Ministry of Transport, which is the government department concerned with highways generally, will ask Parliament for legislation transferring about four thousand, five hundred miles from local to national control next year. Partly offsetting the diversity of control of the roads is the supervision by the government of licensing for chauffeurs and vehicles which are issued by the Ministry of Transports. Since 1934 all persons applying for their first driving license have been required to pass a rigorous test of competence to drive. The Road Travel Act passed in 1934 provides severe penalties for careless, reckless or dangerous driving and exceeding speed limits. For reckless or dangerous driving the maximum penalty is two years' imprisonment; for careless driving or exceeding speed limits, fines according to the circumstances, and upon a third conviction temporary revocation of the license.
I was entertained among others by the American Chamber of Commerce and the Society of Pilgrims. In the former, I found many of the leading American industries well represented and so conducting their salesmanship as to have the confidence and esteem of the English people. The representatives of the American Chamber of Commerce whom I met impressed me as having a clear knowledge and appreciation of what is being done in the United States, more than many of our business people here. The Pilgrims in London keep in touch with the corresponding group in New York City and likewise are building good will through understanding. It would be well if we could, through transportation lines, boards of trade and chambers of commerce, prompt a greater flow of visitors to the United States from these countries, especially in winter cruises, say, the winter climate of Florida and California.

No thoughtful American business man can personally inspect the conditions in Europe and seek the causes of the European economic and social situation without reaching the conclusion that it is better to accept the objectives of the reforms and readjustments sought by the program of the Roosevelt Administration than to have the United States suffer the political and social unrest apparent in Europe.
I venture the assertion that any American suffering from nervous conditions brought about by fears over the conditions in the United States will be cured thoroughly by a few weeks of "Baden-Baden" baths in the atmosphere of any European country. Such a person will return thankful for our institutions.

As to the foreign policy of this country in these times, I feel that the following excerpt taken from a letter written by George Washington to the Earle of Buchan, April 22, 1795, discovered by me in the Manuscript Division of the British Museum, adequately states our proper position:

"I believe it is the sincere wish of the United America to have nothing to do with the political intrigues, or the squabbles, of European nations; but, on the contrary, to exchange commodities and live in peace and amity with all the inhabitants of the earth. And this I am persuaded they will do, if rightly it can be done."
APPENDIX I

Future pouches for Washington during the months of August and September, will close in the office of the U.S. Government Despatch Agency, 6 Grosvenor Gardens, London, S.W.1 at 5 p.m. on the following dates:

<table>
<thead>
<tr>
<th>Date</th>
<th>Ship</th>
<th>U.S. Ships</th>
</tr>
</thead>
<tbody>
<tr>
<td>TUESDAY</td>
<td>August 4</td>
<td>S.S. QUEEN MARY</td>
</tr>
<tr>
<td>THURSDAY</td>
<td>&quot; 6</td>
<td>S.S. NEW YORK</td>
</tr>
<tr>
<td>TUESDAY</td>
<td>&quot; 11</td>
<td>S.S. NORMANDIE</td>
</tr>
<tr>
<td>FRIDAY</td>
<td>&quot; 14</td>
<td>S.S. BREMEN</td>
</tr>
<tr>
<td>TUESDAY</td>
<td>&quot; 18</td>
<td>S.S. QUEEN MARY</td>
</tr>
<tr>
<td>FRIDAY</td>
<td>&quot; 21</td>
<td>S.S. EUROPA</td>
</tr>
<tr>
<td>TUESDAY</td>
<td>&quot; 25</td>
<td>S.S. NORMANDIE</td>
</tr>
<tr>
<td>SATURDAY*</td>
<td>&quot; 29</td>
<td>S.S. BREMEN</td>
</tr>
<tr>
<td>TUESDAY</td>
<td>Sept. 1</td>
<td>S.S. QUEEN MARY</td>
</tr>
<tr>
<td>SATURDAY*</td>
<td>&quot; 5</td>
<td>S.S. EUROPA</td>
</tr>
<tr>
<td>TUESDAY</td>
<td>&quot; 8</td>
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<td>&quot; 10</td>
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<td>TUESDAY</td>
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<tr>
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<tr>
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<td>&quot; 24</td>
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<tr>
<td>TUESDAY</td>
<td>&quot; 29</td>
<td>S.S. QUEEN MARY</td>
</tr>
</tbody>
</table>

* Pouches close at 1 p.m. on the two Saturdays marked with an asterisk.

John H. E. McAndrews  
U.S. Government Despatch Agent.
APPENDIX II

American Embassy
Office of the Naval Attache
London

10 August, 1936

Hon. Daniel C. Roper,
Hotel May Fair,
Berkeley Street,

My dear Mr. Secretary:

Following our conversation of yesterday I give you below the figures on the cost of labor in British dockyards and in United States Navy Yards. These figures are based on the average earnings of the mechanical forces in the respective establishments and do not include the white-collar workers.

The earnings per year of the average employee in the mechanical force in British dockyards is about $808.00 per year, assuming the pound to be worth $5.00. For this compensation the employee works 2,365 hours per year. The compensation includes pay for 87 hours during the year when he does not work. These 87 hours are made up of five holidays at 8 hours each and the 47 hours of Navy Week when the dockyards are closed. The normal time worked in British dockyards is 47 hours per week. The average pay per hour worked in the mechanical forces of British dockyards is therefore about $.542.

In the Philadelphia Navy Yard the average earnings per year of the employees on the mechanical roll are about $1,794.00. For this compensation the employee works 1,768 hours — assuming that he is granted 7 days sick leave a year in addition to the seven holidays and the 26 days of annual leave with pay. The experience with white-collar workers is that they are granted on the average 7 days of sick leave a year. It is assumed that the average will be about the same for the mechanical force. The average pay per hour worked of the mechanical force in the Philadelphia Navy Yard is therefore about $1.014. There are slight differences in the pay of the employees of the various Navy Yards in the United States, but the figure for the Philadelphia Navy Yard is believed to be about the average. In other words, the pay per hour worked of the average employee in the mechanical force at the Philadelphia Navy Yard is about three times the pay of the average employee in a British dockyard. The comparison is necessarily approximate within a few per cent.
The above information is contained in a report which I made to the Navy Department a short time ago in connection with an inquiry for comparative data of the cost of construction of ships in Great Britain and in the United States. The comparison applies only to workers on the Government payrolls in the respective countries and not to the private industry. In both Great Britain and in the United States the annual earnings and the pay per hour worked of shipyard workers are less than for Government workers, but it is believed that the difference is not so great in Great Britain as it is in the United States.

It was a great pleasure to see you and Mrs. Roper and I trust that our paths will cross again.

With many best wishes for a pleasant trip back to the United States,

Very sincerely,

(signed) J.G. Furer
Captain (CC), U.S.N.
APPENDIX III

COST OF LIVING

1. Rent

The difference in cost between Washington and London is illustrated by the following figures showing actual payments by three members of the staff of the Commercial Attache for similar quarters in the two cities:

<table>
<thead>
<tr>
<th>Accommodation</th>
<th>Washington</th>
<th>London</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 room house</td>
<td>$1,200</td>
<td>$1,680</td>
<td>$480</td>
</tr>
<tr>
<td>6 room house</td>
<td>720</td>
<td>950</td>
<td>230</td>
</tr>
<tr>
<td>Apartment (2 rooms, kitchen and bath)</td>
<td>690</td>
<td>910</td>
<td>220</td>
</tr>
</tbody>
</table>

The average of the above shows that London rents are 36 per cent higher than those in Washington.

2. Food

The monthly budgets of the members of the Commercial Attache's staff who have lived in both Washington and London are from 50 per cent to 70 per cent larger for food, the average being 60 per cent.

Below is shown comparative prices on 24 articles of foodstuffs for London and an average in 51 large cities in the United States. The London prices are current, compiled from actual retail prices asked at the grocery stores compared with actual expenditures by members of the staff; being current the prices for fresh fruit and vegetables are considerably lower than they range in the fall, winter and spring months. The American prices were as of April 21, 1936 when certain
items such as eggs, fresh fruit and vegetables would be at similar levels:

<table>
<thead>
<tr>
<th>Item</th>
<th>London</th>
<th>U.S.A.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cream, quart</td>
<td>72</td>
<td>60</td>
</tr>
<tr>
<td>Milk, &quot;</td>
<td>14</td>
<td>11.6</td>
</tr>
<tr>
<td>Butter, pound</td>
<td>32</td>
<td>37.5</td>
</tr>
<tr>
<td>Bread, &quot;</td>
<td>8</td>
<td>8.2</td>
</tr>
<tr>
<td>Flour, &quot;</td>
<td>5</td>
<td>4.7</td>
</tr>
<tr>
<td>Beef, &quot;</td>
<td>40</td>
<td>37.5</td>
</tr>
<tr>
<td>Bacon, &quot;</td>
<td>36</td>
<td>30</td>
</tr>
<tr>
<td>Ham, &quot;</td>
<td>44</td>
<td>16</td>
</tr>
<tr>
<td>Lard, &quot;</td>
<td>24</td>
<td>16</td>
</tr>
<tr>
<td>Chicken, &quot;</td>
<td>52</td>
<td>33</td>
</tr>
<tr>
<td>Eggs, dozen</td>
<td>54</td>
<td>30</td>
</tr>
<tr>
<td>Potatoes, pound</td>
<td>4</td>
<td>3.2</td>
</tr>
<tr>
<td>Cabbage, &quot;</td>
<td>6</td>
<td>4.3</td>
</tr>
<tr>
<td>Spinach, &quot;</td>
<td>30</td>
<td>7</td>
</tr>
<tr>
<td>Tomatoes, &quot;</td>
<td>16</td>
<td>9.3</td>
</tr>
<tr>
<td>Lettuce, &quot;</td>
<td>10</td>
<td>8</td>
</tr>
<tr>
<td>Apples, &quot;</td>
<td>20</td>
<td>5.5</td>
</tr>
<tr>
<td>Oranges, dozen</td>
<td>48</td>
<td>30</td>
</tr>
<tr>
<td>Lemons, &quot;</td>
<td>48</td>
<td>28.4</td>
</tr>
<tr>
<td>Bananas, &quot;</td>
<td>36</td>
<td>20</td>
</tr>
<tr>
<td>Sugar, pound</td>
<td>5</td>
<td>5.5</td>
</tr>
<tr>
<td>Coffee, &quot;</td>
<td>60</td>
<td>30</td>
</tr>
<tr>
<td>Tea, &quot;</td>
<td>54</td>
<td>67.8</td>
</tr>
<tr>
<td>Salad Oil, pint</td>
<td>36</td>
<td>25</td>
</tr>
</tbody>
</table>

The average restaurant lunch in Washington is around London comparable meals cost $1.25 or 66-2/3 more.
A careful analysis of retail prices of comparable merchandise in New York and in London shows these differences for men's and women's clothing and accessories:

<table>
<thead>
<tr>
<th></th>
<th>New York</th>
<th>London</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Men's Wear</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average for 7 classes</td>
<td>$68.75</td>
<td>$74.87</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Women's Wear</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Average for 7 classes</td>
<td>$28.24</td>
<td>$37.48</td>
<td>33%</td>
</tr>
</tbody>
</table>

Men's shirts are approximately 30 per cent higher in the medium priced grades. Athletic underwear sells at 15 per cent to 25 per cent higher, garters about 25 per cent more, hats about the same, shoes slightly more, but to obtain an equally good fit the much more expensive custom made shoes are required. Woolen materials and tailoring are generally cheaper in the better ranges of suits, but in ready-made suits there is nothing comparable to the American values and the cheaper tailoring is greatly inferior to ready-made clothes in the United States.

Women's clothing, compared directly in quality and style, is generally higher in price in London than it is in New York and other large cities of the United States. Readymade cotton frocks, when obtainable in London in sizes, cut and material comparable to the American counterparts, are anywhere from 20 per cent to 50 per cent higher in price. Evidence of the fact appears in the large volume of ready-made cotton frocks which are imported from the United States; they pay the duty, landing charges, transportation and insurance (usually totalling 30 per cent to 33-1/3 per cent) and still undersell British frocks in the actual centers of
production. Silk dresses, although not so strikingly so, are in a similar position. Silk stockings of an equal grade of quality (high grade) are as much as 25 per cent to 40 per cent higher. In women's shoes the comparison is difficult, as British lasts and styles are not suitable for the American woman used to American weights, sizes and lasts. Consequently imported shoes costing about 40 per cent more than they do in the United States are purchased. It should be noted that both clothes and shoes are subjected to much greater climatic tests in London and consequently fail to give as long service. Silk hosiery appears to be especially perishable. Almost all ladies' wear, accessories, handbags, etc., are substantially higher in price.

There is in both women's and men's clothing a large quantity of cheap low-grade merchandise on sale which often leads the casual shopper in London to erroneous conclusions about average prices. There is a relatively larger cross-section of low-paid, small income persons in London to which the shops cater and for which local manufacturers produce. That merchandise tends to reduce the general price average, but in the classes of merchandise which the U. S. Government officers must purchase, the price average is generally higher than that for similar merchandise on sale in the United States.

One striking feature of the cost of household merchandise in London is the comparatively higher cost of certain cotton goods such as sheets. At a recent sale of sheets at a local department store a sheet selling
retail in the United States for $1.10 (weight for weight) was selling for 6s. 6d. ($1.62) — and this the "home of cotton goods manufactures."

4. Electric light and power

In view of the wide variety of electricity charges in London, not only by districts and types of service, but also in proportion to the size of the residence served, an exact comparison with Washington is not possible. In general, however, it may be fairly estimated that electricity charges in London average approximately 25 - 50 per cent higher than in Washington.

Typical of the variation in the amount and method of London charges is the attached memorandum detailing the rates prevailing in the districts in which the members of our staff now reside. You will note that a resident in Chelsea is estimated as paying $23.75 per quarter, and the four districts listed average roughly $14.50 per quarter, exclusive of water heating. Insofar as we can determine from the experience of officers in this office who have lived in Washington, the corresponding total charge there would be from $10 to $12. It should be pointed out that climatic conditions necessitate greater use of electricity in London.

5. Taxes

The taxes which members of the staff of the Commercial Attache are required to pay in London are in addition to the United States income tax: approximately $9/3ths. of the local taxes for "rates" imposed upon
dwellings; this means an outlay of from $75 to $100 annually.

Automobile licence tax of $3.75 per horsepower. On a small car such as the "Plymouth" this amounts to $90 a year as compared with $1 a year in Washington. The tax on larger cars is correspondingly higher.

Gasoline tax 8 pence per Imperial gallon, equivalent to about 13 cents per American gallon as compared with generally lower taxes in the United States.

Radio receiving set licence $2.50 annually: none in the United States.

6. Other items:

One member of the staff has to pay from $27 to $33 per month for gas and coke which is used for cooking and heating.

Schools: It is necessary to send children to private schools in England. The annual cost for a child between the ages of 9 and 13, at an ordinary small, moderately good school, as a day student, is approximately $400 for tuition and necessary extras and incidentals. For younger and older children the cost is proportionately lower or higher. For the person of moderate means who would normally send his children to a public school in America, at relatively negligible expense, this represents a substantial additional item, especially where there are two or more children in the family.
7. Investigation by the Consul General of the comparative cost of living in London and in Washington, January 23, 1934:

"Foodstuffs average at least 85 per cent higher in London than in Washington. The most important factors in cost of living - food and shelter - are incomparably more expensive in London, as are also doctors, dentists, the purchase price and maintenance cost of automobiles, lunches in restaurants and telephones.

"It is the conviction of the writer, and of the other officers at the Consulate General, that a salary of $250 per month, for example, will go as far in Washington as $350 per month in London; with other salary brackets in proportion. In other words, it is believed that the cost of living in London is around 40 per cent higher than in Washington."
TYPICAL ELECTRICITY CHARGES IN THE LONDON AREA

The figures listed below are for three months, based on an "average consumption of a middle-class householder" during that period of approximately:

<table>
<thead>
<tr>
<th>Light</th>
<th>Heating</th>
<th>Cooking</th>
</tr>
</thead>
<tbody>
<tr>
<td>50 units (kilowatt hours)</td>
<td>250 units</td>
<td>250 units</td>
</tr>
</tbody>
</table>

* Exclusive of water heating.

CHELSEA (Chelsea Electricity Supply Co.)

- Light: 4½d. per kWh
- Power: 1½d. per kWh

or "all-in" fixed rate (calculated on amount of floor space) and 3d. per unit:

Example: Fixed charge £3:0:0
- Light: 3:0
- Heating: 15:0
- Cooking: 15:0

£4:15:0 per quarter

HAMPSTEAD (Hampstead Borough Council)

- Light: 2½d. per kWh
- Power: 2½d. per kWh

Example: Light: 10:0d.
- Heating: 10:0
- Cooking: 10:0

£1:10:0 per quarter
**SURBITON** (Surbiton & District Electricity Supply Co.)

<table>
<thead>
<tr>
<th>Component</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Light</td>
<td>5d. per kWh</td>
</tr>
<tr>
<td>Power</td>
<td>2½d, 2d, 1½d, or 1d. per kWh</td>
</tr>
</tbody>
</table>

*or* "all-in" fixed rate and ½d. per unit in summer and ¾d. per unit in winter:

<table>
<thead>
<tr>
<th>Example</th>
<th>Fixed charge</th>
<th>Light</th>
<th>Heating</th>
<th>Cooking</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£1:5:0</td>
<td>3:0</td>
<td>18:0</td>
<td>18:0</td>
</tr>
</tbody>
</table>

£3:0:0 per quarter

---

**HARROW WEALD** (North Metropolitan Electric Power Supply Co.)

<table>
<thead>
<tr>
<th>Component</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Light</td>
<td>3½d. per kWh</td>
</tr>
<tr>
<td>Power</td>
<td>1 1/3d. per kWh</td>
</tr>
</tbody>
</table>

*or* "all-in" fixed rate and ½d. per unit:

<table>
<thead>
<tr>
<th>Example</th>
<th>Fixed charge</th>
<th>Light</th>
<th>Heating</th>
<th>Cooking</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£1:5:0</td>
<td>2:0</td>
<td>10:6</td>
<td>10:6</td>
</tr>
</tbody>
</table>

£2:8:0 per quarter
The salaries and allowances in the British Commercial Diplomatic Service and in the corresponding United States Foreign Commerce Service at comparable European posts during the past fiscal year, 1955-1956, were as follows:

<table>
<thead>
<tr>
<th>Post</th>
<th>British Salary and Allowance</th>
<th>American Salary</th>
<th>Allowance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Athens</td>
<td>Com. Secy. $6,950</td>
<td>Com. Att. $5,500</td>
<td>$1,200</td>
</tr>
<tr>
<td>Berlin</td>
<td>Com. Coun. 11,090</td>
<td>Act.Com.Att. 6,000</td>
<td>1,500</td>
</tr>
<tr>
<td></td>
<td>Com. Secy. 6,690</td>
<td>Trade Com. 5,000</td>
<td>1,200</td>
</tr>
<tr>
<td>Brussels</td>
<td>Com. Secy. 9,325</td>
<td>Com. Att. 6,000</td>
<td>1,500</td>
</tr>
<tr>
<td>The Hague</td>
<td>Com. Secy. 10,150</td>
<td>Com. Att. 6,000</td>
<td>1,500</td>
</tr>
<tr>
<td>*Washington</td>
<td>Com. Coun. 19,530</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td>Com. Secy. 10,545</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>London</td>
<td>---</td>
<td>Com. Att. 8,000</td>
<td>1,700</td>
</tr>
<tr>
<td></td>
<td>---</td>
<td>Asst.Com.Att. 6,000</td>
<td>1,500</td>
</tr>
<tr>
<td>Madrid</td>
<td>Com. Secy. 8,605</td>
<td>Com. Att. 5,750</td>
<td>1,200</td>
</tr>
<tr>
<td>Paris</td>
<td>Com. Coun. 12,950</td>
<td>Com. Att. 8,000</td>
<td>1,700</td>
</tr>
<tr>
<td></td>
<td>Com. Secy. 5,500</td>
<td>Asst.Com.Att. 6,000</td>
<td>1,500</td>
</tr>
<tr>
<td>Prague</td>
<td>Com. Secy. 9,685</td>
<td>Com. Att. 5,000</td>
<td>1,200</td>
</tr>
<tr>
<td>Rome</td>
<td>Com. Coun. 11,220</td>
<td>Com. Att. 6,500</td>
<td>1,500</td>
</tr>
<tr>
<td></td>
<td>Com. Secy. 6,500</td>
<td>Trade Com. 4,000</td>
<td>1,200</td>
</tr>
<tr>
<td>Stockholm</td>
<td>Com. Secy. 7,980</td>
<td>Com. Att. 6,000</td>
<td>1,500</td>
</tr>
<tr>
<td>Vienna</td>
<td>Com. Secy. 9,575</td>
<td>Com. Att. 5,500</td>
<td>1,200</td>
</tr>
<tr>
<td>Warsaw</td>
<td>Com. Secy. 9,225</td>
<td>Com. Att. 5,500</td>
<td>1,200</td>
</tr>
</tbody>
</table>

* Inserted for comparison with London.
APPENDIX V

The present salaries of the members of the Commercial
Attache's office and recommendations for increases recommended
by Mr. Meekins are as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>American Present Salary</th>
<th>American Proposed Salary</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homer S. Fox</td>
<td>$6,000</td>
<td>$7,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>Assistant Commercial Attache</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Edward B. Lawson</td>
<td>4,500</td>
<td>6,000</td>
<td>1,500</td>
</tr>
<tr>
<td>Trade Commissioner</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Henry E. Stebbins</td>
<td>3,200</td>
<td>4,500</td>
<td>1,300</td>
</tr>
<tr>
<td>Assistant Trade Commissioner</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Warren S. Lockwood</td>
<td>3,200</td>
<td>4,500</td>
<td>1,300</td>
</tr>
<tr>
<td>Assistant Trade Commissioner</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name</th>
<th>British Present Salary</th>
<th>British Proposed Salary</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miss Dumoulin</td>
<td>2,020</td>
<td>2,140</td>
<td>120</td>
</tr>
<tr>
<td>Mrs. Beale</td>
<td>1,020</td>
<td>1,200</td>
<td>180</td>
</tr>
<tr>
<td>Miss Mason</td>
<td>1,020</td>
<td>1,200</td>
<td>180</td>
</tr>
<tr>
<td>Miss Wright</td>
<td>870</td>
<td>900</td>
<td>30</td>
</tr>
<tr>
<td>Mrs. Gibson</td>
<td>870</td>
<td>900</td>
<td>30</td>
</tr>
<tr>
<td>Miss Solly</td>
<td>700</td>
<td>780</td>
<td>80</td>
</tr>
<tr>
<td>Mrs. Sycamore</td>
<td>750</td>
<td>780</td>
<td>30</td>
</tr>
<tr>
<td>Miss Annetts</td>
<td>750</td>
<td>780</td>
<td>30</td>
</tr>
<tr>
<td>James Long</td>
<td>250</td>
<td>360</td>
<td>110</td>
</tr>
</tbody>
</table>
July 10, 1939.

Dear Dan:—

That is a very interesting letter of yours and I am happy to know at firsthand of the Royal visit to Canada. That is a delightful thought of yours about everybody turning Scottish. I can cap it by the following: At the picnic at Hyde Park we had two Indian performers. At the end the Indian man was introduced to the Queen and she asked him what tribe he belonged to. He said "I am a Zuni -- but I am three-quarters Scotch."

I had a delightful long letter from Mackenzie King. It was a piece of great good fortune that he was enabled to accompany the King, for it made all the difference in the world not only in the United States but also, I think, in providing for the King himself a sort of interpreter of the close relationship between Canada and the United States, without detracting in any way from the loyalty of Canada to the British Empire.

I am glad to have your slant on the Waterways Treaty and also the Alaska Highway project. I think you are right that the Waterways Treaty should not be pushed before the Canadian election, but I really count on action as soon as the election is over.

The trip of the King and Queen in Quebec will, I think, help to remove certain opposition
from that Province. Thank you for the memorandum on commercial problems.

I need not tell you that I am awfully happy to have you and Mrs. Roper representing us at Ottawa -- and, of course, it is really among the top two or three of our Diplomatic posts, even though the Empire's relationship prevents it from being called an Embassy.

One thing you did not mention. How is your health? I was worried before you left but I take it things are going along all right and for that I am devoutly thankful.

My best to you both,

Affectionately,

Honorable Daniel C. Roper,
American Legation,
Ottawa,
Canada.
September 20, 1939

Mrs. Paula Larrabee
The White House
Washington, D. C.

Dear Mrs. Larrabee:

Here is the letter from Mr. Roper which you wanted returned for your files.

Very sincerely yours,

Mary Van Meter
Secretary to the Secretary

Enclosure
THE WHITE HOUSE
WASHINGTON

July 8, 1939.

MEMORANDUM FOR
THE SECRETARY OF COMMERCE

TO READ AND RETURN
FOR OUR FILES.

F. D. R.
Dear Mr. President:

I have submitted to the State Department from time to time since my arrival in Ottawa on May 12 reports on the very interesting and history-making events of these seven weeks. I would like, however, now to give to you a few impressions which I did not regard as appropriate to include in my official reports.

To begin with, Mrs. Roper and I are very grateful to you for the unusual opportunity you have given us to observe the interesting developments this summer between Canada and the United States. The visit of Their Majesties was in plan and in execution strikingly constructive. It gave the people a relief from war talk and war fears. I never before have witnessed an event of more decided effect on the psychology of a people. It will prove to be very far-reaching for the two countries and for the world. The democratic attitude

The Honorable Franklin D. Roosevelt,
The White House,
Washington, D.C.  U.S.A.
of the King and Queen captivated all and emphasized the practical value of faith and confidence in human affairs. At the conclusion of the Canadian journey at Niagara Falls and just before crossing the international border into the United States, Their Majesties again referred to the pleasure they were anticipating in their visit to the United States. There was some hesitation that evening over changing police forces, Their Majesties thinking that the persons who had become well acquainted with their habits and their requirements could hardly be satisfactorily supplanted by persons unacquainted with them. However, this very soon disappeared for they became quite impressed with and enthusiastic over the remarkable service of the American police force.

Their Majesties were most gracious in having Mrs. Roper and myself as their honor guests at dinner just before crossing the St. Lawrence. When I remarked to the Queen on that occasion that they would receive a most enthusiastic welcome and that they would be impressed with the similarity in sentiment and in cooperation of the Canadian and American people the Queen replied: "Do you really think so?". My answer was that the relationship between the peoples of Canada and the United States has proceeded beyond the trade treaty stage, that there is a
definite feeling of understanding and cooperation which amounts to a spiritual undergirding in the relationship between the two peoples. To this the Queen replied: "That is what the world needs." My answer was that "It may easily be that the visits of Your Majesties will prompt definite progress to that end for the world." She then remarked: "Great responsibility rests upon the English-speaking people for world safety." I replied that it was fortunate that the Queen was making the visit with the King for great responsibility rested upon women to inspire and guide the needed leadership in bringing people to understand and appreciate the far-reaching importance of human understanding as a means to needed cooperation. So attractive was the Queen to all people that Mrs. Roper and I were found joining a long procession in asserting our Scottish lineage. The King is said to have remarked after a few days in Canada that it seemed to him that practically all Canadians had turned Scottish. This was interestingly illustrated by an incident on the western end of the Canadian journey when a Canadian asserted to Their Majesties in the hearing of an old Indian that he, the Canadian, was thankful that he was a Scotsman. The Indian "chimed" in, "Me too, me too."

I was impressed by the remark of the King at dinner
at Niagara Falls when he spoke as follows: "Why did the people of the United States permit President Wilson to go to France in 1919? We are all still suffering from it." The answer was "No one could stop that."

This view with regard to Wilson recalled a talk I had had at Government House with the Leader of the Government in the Senate several days before, when he referred to the great world responsibility the United States assumed when our people failed to support the League of Nations.

At the recent Conference on Canadian-American Affairs at St. Lawrence University which I had the pleasure of attending some days ago, one of the speakers referred to the fact that great power in a nation like the United States must be accompanied by great responsibility for stabilizing the world. These references further emphasized for me the correctness of your expressions in the last year with regard to international conflicts. You are on record that the great power, influence and responsibility of the United States can be preserved only through the exercise of its peaceful offices to world society, economically and socially.

Prime Minister King and all other officials with whom I have come in contact have extended to Mrs. Roper and myself every possible courtesy and consideration. The
Prime Minister is overwhelmed with the gratifying results of the visits, dwelling with enthusiasm on the results of that to the United States. He expects to write you and will tell you that the King regarded as the high point of his entire tour his personal contact and conferences with you. He says that the King told him repeatedly that he had never met a person with whom he felt freer in talking and whom he enjoyed more. He said that his Ministers at home were so guarded in their conference relationships with him that he especially enjoyed the democratic freedom you accorded him. The Prime Minister was especially impressed with the closeness of that relationship when, at 1:30 o'clock in the morning, you put your hand upon the King's knee and said: "Young man, it's time for you to go to bed."

I wish to say here also that Mrs. Roosevelt left a profound impression. The musical concert at the White House was a great success, and the fact that Their Majesties desired above all things a copy of the record of that concert is convincing evidence of this.

There may be, and no doubt is, opposition to the American New Deal in Canada, but I have not yet found it. In fact, the people with whom I have come in contact would
seem to be reaching that old-time condition in South Carolina when we could borrow folks for the election polls from across the lines for election results. One enthusiastic lady at a reception some evenings ago came up to me and said: "You are talking about a third term for your President. If I and my family had our way we would elect him for life."

At the St. Lawrence University Conference on Canadian-American Affairs I was surprised that no criticism of the New Deal appeared in any of the discussions of a political nature. On the contrary, there were several nice approval references to the foreign relations program of the American Government.

A Harvard University man returning from this year's Commencement told me that while Republicans that he met at the Commencement were very eager to get Roosevelt out of the White House, they expressed themselves as glad that he was there to receive and so graciously entertain the King and Queen.

I have had splendid conferences with the Prime Minister on the St. Lawrence waterways matter and have reported officially to the State Department in connection therewith. He is very much interested in the matter and proposed to take it up immediately after the election this fall, provided, of course, his administration is returned. As to
this I have no doubt. The press of today announce the candidacy of Honorable W. D. Herridge for Mr. King's seat in Parliament (editorial attached). I cannot believe King will have serious opposition. However, I can see after talking with him how a precipitation of the waterways matter at this time could be seized upon by the opposition as a political issue.

Superficial inquiry has convinced me that this is not the time to bring forward the Alaska highway project. This must wait awhile.

Operations of the trade treaty between our two countries appears to be fairly satisfactory. We had a very interesting ceremony on June 17 when the exchange of ratifications took place in the office of the Prime Minister. The Prime Minister was most gracious on that as well as on other occasions and said that he greatly regretted that he had not been able to write you and thank you for the courtesies extended to him and Their Majesties on the recent trip and said that he was in hopes that he would not thereby lose your friendship. I told him that in my opinion it would take nothing short of a war to separate two personalities that understood each other so well and whose objectives so substantially harmonized in maintaining constructive relationship between our two peoples.
As to the French-Canadian situation, with which you are thoroughly familiar, there are two recent developments which I think may be of interest to you. The first is the apparently dwindling influence of the Quebec fascist group movement led by Adrian Arcand. This movement has been considerably publicized in the United States during recent months, but I find from sources in Ottawa that its influence seems to be on the wane just now. The other development is the extraordinary response of the French Canadians to the Royal visit. This group seemed to vie with all other sections in their enthusiastic reception of the King and Queen. Even the most die-hard Quebec nationalists frankly admit the success of the tour.

I am being constantly impressed with the similarity of the problems of Canada and the United States. For instance, in this morning's Ottawa newspapers (July 5) I find references to the following which could easily have appeared in the press of our country as engaging American thought: - Unemployment; agricultural problems, involving policy of scarcity and plenty; reduction of taxes to help promote business recovery; charges that relief has not been equitably administered, etc. Frequent exchanges of experiences in working out these problems between the two Governments might be helpful.
I am favorably impressed with the program and equipment of the National Research Council of Canada which I have enjoyed visiting and inspecting under the guidance of its splendid director, General A. G. L. McNaughton. On the lines of research for the benefit of industry and for the conservation of health I can see how the present good cooperative understanding between this Council and our Bureau of Standards could be made much more effective in the solution of problems as well as in furthering the common interests of the two countries. I am attaching hereto a memorandum which, at my instance, has been prepared by the Commercial Attache of this Legation for such consideration as you may find it worthy.

This Legation is much more important than I had expected before coming. It has a splendid personnel, intelligent, active and enjoying the confidence of all the Canadian officials. Trade and human relations are being well cared for.

I trust that I have not wearied you with this long communication and hope you and Mrs. Roosevelt have the consciousness of having rendered in connection with the King and Queen's visit to the United States a service to the United States, to Canada, to Great Britain, and to the entire world.
With apologies for the length of the letter,
I am,

Very sincerely yours,

[Signature]

Enclosures.
Saskatchewan for New Democracy

Prince Albert constituency, at present represented in the House of Commons by Mr. Mackenzie King, may produce one of the surprise results in the next general election. There is no certainty that the Liberal party's leader will be elected again. He has never been near the constituency since 1935.

At that time, some people were saying that their member of parliament should be seen oftener than merely in a private car during the election campaign. Progressives apparently believe that Hon. W. D. Herridge would be seen oftener: he has been formally invited to stand as the New Democracy candidate in Prince Albert riding.

There is more, however, than discontent with the Liberal leader's personal inability to visit Prince Albert behind the invitation to Mr. Herridge. It is symptomatic of the spirit of revolt in Saskatchewan against barren Liberal politics.

The Conservative party ceased to be a political force in the western provinces years ago, but Saskatchewan has been persuaded in election after election to trust the Liberals again. But the powerful Gardiner machine is said to be on the decline.

The Liberals won the majority of seats in the last provincial election, but only with the minority of votes. There are possibilities of the elimination of both old parties from Saskatchewan, as they have been virtually eliminated from Alberta. The New Democracy movement is pointing the way.

About a hundred delegates from Saskatchewan constituencies attended the New Democracy conference in Regina last Monday and yesterday. They represent the widespread view that, with unity, the progressive forces can win the majority of seats.

It has been demonstrated that the C.C.F. alone cannot win; nor can many seats be won in constituencies where votes are divided between Social Credit and C.C.F. candidates against the Liberal machine. But people everywhere in Saskatchewan are welcoming the prospect of an advance against the entrenched Liberal party interests. They see new hope in the New Democracy movement to produce results by electing a clear majority of free members to the next parliament.
Roper's letter never returned
THE WHITE HOUSE
WASHINGTON

July 20, 1939.

MEMORANDUM FOR
HON. LELAND OLDS

Please let me have your thought on this.

F. D. R.

Letter from Secretary Hull enclosing Copy of letter to him from Minister Roper in re St. Lawrence Waterway Treaty.

DECLASSIFIED
By Deputy Archivist of the U.S.

By W. J. Stewart Date
August 4, 1939.

Dear Dan:-

I have yours of August first and accept your resignation as United States Minister to Canada, to take effect August twentieth.

I do this with mixed feelings because you have done so splendidly in that post, as in your previous posts, that I wish you and Mrs. Roper could stay on in a Capital that is of such great importance. At the same time, it will be fine to have you both back here in Washington and it will be good to see you both again.

You must have had a wonderfully interesting time. If you want to stay on a few weeks after August twentieth, in order to avoid the hot weather here in Washington, let me know.

Congress seems to have been hotter than the rest of this city -- all upset as a matter of fact. You and I, as old timers, have seen this happen before, and the curious thing is that the world seems to go on just the same.

Affectionately,

Honorable Daniel G. Roper,
American Legation,
Ottawa,
Canada.
Ottawa, Canada.
August 1, 1939.

Dear Mr. President:

In my conference with Secretary Hull, at the time that he acquainted me with your desire to appoint me as Minister to Canada, it was understood that I was to remain in Ottawa about three months.

By August 20 Mrs. Roper and I plan to complete our season's entertaining and to be able to dispose of other pending official obligations. I hereby tender my resignation as United States Minister to Canada, to take effect August 20, or at your pleasure.

Mrs. Roper and I have greatly enjoyed our mission here and thank you sincerely for the opportunity thus afforded us to take part in the very interesting ceremonies incident to the visit of Their Majesties King George the Sixth and Queen Elizabeth. We are also grateful for the contacts we have had with these charming Canadian people.

With much respect, I am,

Very sincerely yours,

The Honorable Franklin D. Roosevelt,
The White House,
Washington, D.C. U.S.A.
My dear Mr. President:

How gracious of you to again remember me at Christmas time! How fortunate I have been to have thus been remembered for so many years.

When I opened the package from you containing the attractive and practical paper weight-ash tray, I naturally reflected on our long personal friendship. I am grateful to have been permitted to have been associated with you in some "great adventures". In these you have proved yourself a great and constructive engineer in planning and in executing for the people of the United States, — yes, for the peoples of the world.

Pray do not regard me as unduly sentimental when I use as expressive of my feeling toward you that old saying, "Wander where you will — North, East, South or West, old tunes are sweetest, old friends the best."

May God bless you with strength, vision and courage to meet constructively the great challenges which I believe await us in 1940.

Affectionately,

[Signature]

Daniel C. Roper

The Honorable
Franklin D. Roosevelt
President of the United States