

● PSF Hungary

Department of State

BUREAU
DIVISION

PR

ENCLOSURE

TO

Letter drafted 3/27/41

ADDRESSED TO

General Watson

DEPARTMENT OF STATE

DIVISION OF PROTOCOL

March 27, 1941

White House:

The President's remarks
should be dated before they
are handed to the Minister.

G.T.S.

ISF Hungary folder

file
personal

Mr. Georges de Ghika, newly appointed
Minister of Hungary

Mr. de Ghika was born in 1882. He is a career officer of the Hungarian Foreign Service and has served at Belgrade, Milan, Hamburg, and New York City. He was at the latter post for twelve years prior to November 1939. At the time of his appointment as Minister to the United States he was Hungarian Minister to Japan.

The Minister is unmarried.

PSF 1-Hungary

THE REMARKS OF THE
NEWLY APPOINTED MINISTER OF HUNGARY
MR. GEORGE de GHIKA
UPON THE OCCASION OF THE PRESENTATION OF HIS
LETTERS OF CREDENCE

Mr. President:

In placing in your hands the Letter of Recall of my predecessor and the one by which His Serene Highness the Regent of the Kingdom of Hungary has seen fit to accredit me in the capacity of Envoy Extraordinary and Minister Plenipotentiary near the Government of the United States, I wish to convey to you my deep appreciation of the honor and privilege which has been accorded me by my Government.

I am happy to be charged by the Regent of the Kingdom of Hungary to convey to you the expression of his high consideration for you, Mr. President, and of his fervent wishes for the happiness and prosperity of the people of these United States.

I desire to say that I bring a message of good will from my countrymen as well as the assurance of the

Hungarian

Hungarian Government of its sincere desire to promote mutual understanding.

It is my earnest hope that you, Mr. President, and the Government of the United States will extend to me during my official residence in your country the same generous assistance and coöperation that you have so consistently accorded my predecessor and thus enable me to sustain and if possible further these friendly relations.

DRAFT OF
THE PRESIDENT'S REPLY
TO THE REMARKS OF THE
NEWLY APPOINTED MINISTER OF HUNGARY
MR. GEORGE de GHIKA
UPON THE OCCASION OF THE PRESENTATION OF HIS
LETTERS OF CREDENCE

Mr. Minister:

It gives me pleasure to welcome you to Washington and to accept from your hands the Letters by which His Serene Highness the Regent of the Kingdom of Hungary has requested me to receive you in the capacity of Envoy Extraordinary and Minister Plenipotentiary. I accept likewise the Letter of Recall of your distinguished predecessor Mr. John Pelényi who has done so much to effect a real understanding between the peoples of Hungary and the United States. I shall always retain pleasant recollections of his residence in Washington.

You may be assured of my desire and that of the other officials of the Government of the United States of America to grant you assistance and cooperation at

all

all times with a view to strengthening the ties which have so long existed between our two nations.

I shall be grateful if you will convey to His Serene Highness the Regent my cordial thanks for his friendly message and express to him my earnest wishes for his health and the prosperity of the Hungarian people.

PSF: Hungary Folder
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file
personal

Lisbon

April 2, 1941

The Honorable

Franklin Roosevelt

The White House.

Personal and ~~confidential~~ from
Herbert Pell.

Dear Mr. President:

I do not have to tell you how sorry I am not to have seen you for more than five minutes during my visit.

I must thank you for what you did to help my son Claiborne get into the Navy. It was good of you.

I wanted to talk to you about the Azores, and also of affairs in general. During my visit to America, I spoke a couple of times on world affairs, particularly making the point that during the next epoch of history, the world will be led either from Berlin or from Washington. There is no hope of anything else. It will not be the Archangel Michael, but Adolf Hitler and his successors, who will direct a military autocracy from Berlin, or it will be you and yours - not Gabriel, who will direct things from Washington. I see no other alternative. A vote against Washington is necessarily a vote for Berlin.

I quite agree with the isolationists, who say truly, that world leadership will involve responsibilities which we have never taken, risks we have never even considered, problems of which we have known nothing, but unfortunately there is no hole to which we can withdraw. Their argument is, after all, inspired by a nostalgia with which most of us can agree.

Accepting this point, the Azores thrust themselves on us as a serious problem. The nation, which can use them as a naval and air base, commands all access to the South Atlantic. It is not only vital, that they should not get in the hands of Germany; I think, it is to the world's interest and to ours, that the United States (which will have to succeed England as the dominant naval power of the world) should command these islands.

The same conditions exist there, which you saw in 1917. My great regret at leaving Portugal, is that I will not be in immediate touch with this situation. I shall be glad to do anything I can to further the result, and even to take the position you declined at that time.

On the general situation, I believe that our policy should be that of the elder Pitt, who fought the French not with soldiers, but with money. There was no question of leasing and lending. Kegs of guineas went to Frederick the Great, while a very few thousand men took Canada and

established themselves in India. I believe we should do the same thing with England, and at the end, being strong, take that leadership, which otherwise would go to Germany, and make the coming century as definitely American as the XIX was English, or the XVIII French.

I was sorry not to see you again. I enjoyed greatly my short visit to your mother.

I landed at Lisbon late yesterday, and expect to start to Budapest within a few days, with what the newspapers call a "safari", carrying all the necessary gas for the trip, and a certain amount of food - a procession headed by a limousine, followed by a station wagon and truck, going over roads where for the last three months three cars in a day would have been regarded as congested traffic. The only thing I lack is a steam Calliope.

I am,

Respectfully,

Herbert Pell

Herbert Pell.

HP/J

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Hungary
Folder

THE WHITE HOUSE
WASHINGTON

June 12, 1941.

MEMORANDUM FOR

THE UNDER SECRETARY OF STATE

This is an interesting letter.
Please prepare reply for my signature.

F. D. R.

Letter to the President from
Hon. Herbert C. Pell, Minister to
Hungary, dated May 16, 1941.

[7-9-41]

Dear Bertie:

I have read with very real interest your informative account of your travel from Lisbon to Budapest, and your notes on the state of the public mind in Central Europe. Although we receive many reports of conditions on the Continent resulting from the war, a particular value attaches to the impressions of an observant and experienced traveler who sees, as you do, the moral devastation as well as the physical ruin caused by modern warfare.

I thank you for this frank expression of your views, based on your travel in regions far from the zone of hostilities, such as Spain and southern France, as well as in Germany itself. The experiences which you relate will surely be useful to you in evaluating the situation in Hungary. Your station is an important outpost, and you may be sure that every report from Budapest will be examined with careful attention.

With every good wish for the success of your mission,

Very sincerely yours,

The Honorable
Herbert Pell,
American Minister,
Budapest.



LEGATION OF THE
UNITED STATES OF AMERICA

Budapest, Hungary
May 16, 1941.

PSF Hungary

Acrid 7/9/41
Sw: CWC: CG

Dear Mr. President:

After a difficult but not uncomfortable trip I arrived here, and want to take the first occasion to thank you for sending me to such an interesting post in such an attractive city. I drove through Spain, southern France, Switzerland and Austria, arriving here about three weeks ago.

The condition of Spain is terrible; hardly anyone seems well nourished, a good many are actually dying of starvation; typhus has broken out in Madrid. In Barcelona, the richest part of the country, there is an acute shortage of food, coal, and all imported articles. So far as I saw there has been no attempt to re-build the destroyed section of Madrid. Our Embassy is doing extraordinarily good work. When we arrived the house was filled with poor people coming to get free inoculation provided by the Weddells, but, of course, they can do very little against a general epidemic reinforced by cold and hunger. The roads in Spain were good, maintained by slave labor. There are apparently about a million of the old Republican army who have been turned into government slaves, but who did not appear to be much more miserable than the free people.

An army going through Spain would have to rely on motor transport for all its supplies; the country could provide nothing and the railroads could not stand any severe strain - their engines are bad, their tracks worn out and their cars in poor condition and few. It would be impossible to use cars and engines from other countries of Europe because the gauge is different. The Portugese railroads are in better condition, but, of course, their supply of cars is not large. It could be done, however, and may be done.

2
France is also in a terrible state. The shops are badly stocked; the money worth less than poker chips; railroads, although better than those of Spain, are in a bad way, lacking both coal and maintenance. I went over the same road that I had been on last autumn and with almost all of which I have been familiar for more than thirty years. Shocking as the condition was last September, things are visibly more worn out and grimmer than they were then. In the autumn the people seemed dazed by their calamities; today, they are in despair, lacking heat for their houses, glass for their windows and adequate food for themselves. Already in April they were looking forward with horror to the prospects of another winter.

3
Switzerland seemed like an island of civilization. The necessities of a comfortable life were available, but very much more expensive than in America. Even there, however, the falling off in imports has resulted in a distinct drop in the standard of living. The people are terrified lest they should be the next victim.

4
I had a great deal of difficulty getting into Germany with my car. When I arrived in Switzerland I found that Olive had been ill and was at a hospital and could not come on. I proceeded without her to Berne, where, after a few days, Leland Harrison and Mr. Morris the Charge d'Affaires in Berlin, succeeded in getting me permission to take my car through Austria over the Vorarlberg Pass and into Hungary by way of Innsbruck and Vienna. They are to be tremendously congratulated, as apparently it was the first time anyone had succeeded in getting a car through. The Germans, however, absolutely refused permission to allow Olive to follow with the limousine and a big truck full of my clothes, papers and other things. The result is I am here with the contents of two bags. They say that the orders came from the military which, of course, dominates the foreign office.

Going through Germany I found everything very expensive. The people at large seemed

adequately nourished. There was a certain amount of complaint about the lack of tea, coffee and chocolate which the Germans used to like so much. Even their beer has gone down in quality and is only about half as good as it used to be, although still about twice as good as any other. The roads were well maintained, to a great extent by French prisoners. They were building a magnificent new road from Salzburg to Vienna, using about the same methods which I observed in the construction of the Taconic Parkway, of which you used to be chairman. There were a great number of small brick houses going up for the country people, particularly those Germans who have been brought from outlying states where they were in a minority.

Vienna is dirty and grimy; the shops comparatively empty, the Karntner Strasse, which I remember crowded with traffic, and the Ring, are almost without cars.

On our way through Hungary we passed a great many German military vehicles; one group of which, with each car almost touching the one in front, had drawn up on the side of the road for lunch, and we drove for almost three miles beside a solid mass of parked cars; about every fifty yards they had a man on the side of the road with a thing shaped like a racquet bat with which he directed traffic. When I arrived in Budapest, I found that for sometime before they had been going down the road at a fast pace day and night in an almost solid formation - apparently almost without accidents. I have seen their cars close, and discussed them with experienced mechanics; they seem to be of excellent quality and are undoubtedly well driven. Our Military Attache here and other soldiers, tell me that all their equipment is of the best. The men seem healthy, strong and cheerful. I am told that the relation between officers and men is far different than it was in the old imperial army. There is no use in underestimating their power or their organization.

There is, of course, at present a flock of rumors floating about; some say their

next point of attack will be Spain in order to close the western entrance to the Mediterranean; others, that it will be down toward Arabia, and a third group expect an attack on southern Russia. I have also been told that their men to the south of here are being equipped with light weight uniforms for the tropics.

The people here, although willing to take what is dropped to them, do not like the idea of being obliged to export food in such large amounts to Germany, nor do they like the German domination of the country, but they feel that there is nothing whatsoever that they can do about it. The Germans and the German sympathizers talk about the possibility of peace by autumn, and express every hope of finally destroying Great Britain, either by starvation, bombing or direct invasion. The last, however, does not seem to be discussed as seriously as the other two.

The Germans seem to expect to organize Europe in a group of helot semi-independent states which will consume the products of an industrial Germany and provide it with raw materials and a good deal of food. So far, they have failed to make any great use of the resources of the countries which they have overrun. Of course, they have taken a large part of the accumulated stock, but they have not been successful in keeping up production. I have been told, and believe, that the Skoda Works, using three shifts, are today producing less than eighty percent of their former capacity with a single shift. About the same thing, I think, is true of the French factories. There is a good deal of sabotage and not much hard work. The oil refineries near Bremen have been heavily bombed and a great deal of machinery brought into Czechoslovakia, where it will be more difficult to hit.

I cannot see much hope for Europe. Although there have been worse famines, there has never in the course of history been so many contiguous people seriously undernourished and living so far below their accustomed standard of comfort.

It seems almost inevitable that this will result in the outbreak of one or more of the great killing diseases which will spread like fire in a wheat field.

16 Altogether I do not see any justification for a cheerful outlook. The great strength, excellent equipment, good spirit and magnificent work of the German military organization seem absolutely unbeatable. It will be a long time before their failure to extract adequate resources from the conquered countries will break them down. The other day I was talking to the wife of one of the Brazilian Secretaries, whose husband is temporarily stationed in Berlin; she had been up with him but found the bombing and air raid warnings too much for her nerves, and seemed to think that it was producing a very bad effect on German civilian morale. One of our men from Frankfurt tells me that the bombing there has terrified the population. It seems to be getting more and more severe.

You can safely say that throughout Europe, certainly in all the parts I have seen, the Germans are feared by all and disliked by most. Among those who dislike them, and would be glad to see them beaten, there is a great deal of criticism of British insouciance. Many believe, that outside of the naval and air-force the British have no intention whatsoever of doing heavy fighting. The German plans in the Balkans were manifest last autumn. The British are supposed to have about four million well equipped troops in England; many believe that if they had sent a million soldiers, with ample equipment, to Egypt and then to Greece, they would have brought in the Turks, prevented the occupation of Bulgaria, and made adequate and successful the resistance of Yugoslavia. Although this would have left a million fewer men to defend England in case of invasion, it would have meant from three to five million more to attack Germany from the south and prevent the occupation of the wheat fields of the Ukraine and of the Danube, and, of course, detached an enormous number of German soldiers from northern France, where they might have served as an

expeditionary force in England. At present there seems to be no point at which the German army can be effectively attacked, and their exhaustion will take a very long time, and will imply the exhausting of all Europe and the destruction of civilization.

I believe, as I wrote you before, that we are the only country with any prospect of civilization at the end of ten years. This is not a cheerful letter, but it is my honest opinion. I have never hoped to be right as strongly as I now hope I am wrong, but I do not think I am.

Yours respectfully,

Herbert Pell

Herbert Pell.

The President,

The White House.

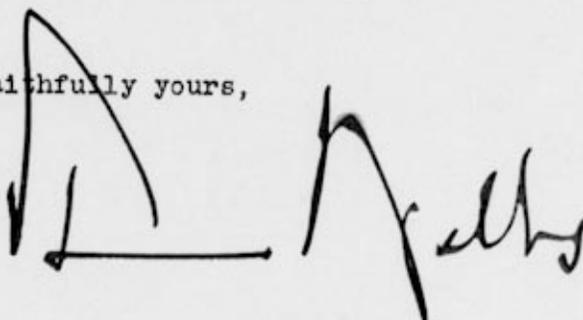
DEPARTMENT OF STATE
WASHINGTON

July 12, 1941

My dear Mr. President:

In accordance with your request I am enclosing a draft of a reply for your signature to Minister Pell's letter of May 16, 1941. I am returning the Minister's letter herewith.

Faithfully yours,

A handwritten signature in black ink, appearing to read "A. H. Hays". The signature is written in a cursive style with a large initial "A" and a long horizontal stroke.

Enclosures:

1. From Minister Pell,
May 16, 1941.
2. Draft of reply.

The President,
The White House.

P5 F. Hungary Folder

THE WHITE HOUSE
WASHINGTON

July 30, 1941.

MEMORANDUM FOR
THE ACTING SECRETARY OF STATE
FOR PREPARATION OF REPLY
FOR MY SIGNATURE - DEAR BERTIE.

F. D. R.

Letter to the President from
Minister Herbert Pell of Hungary
dated June 23, 1941.



*file
personal.*

PSF Hungary folder

THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

AMERICAN LEGATION
Budapest, Hungary
October 21, 1941.

My dear Mr. President:

So far I have been able to report to you a steady falling off of German and a corresponding improvement of British prestige. I am sorry to say that there has been a distinct reverse in the last two weeks.

The Germans are jubilant and much more cocky. Friends of Great Britain seem bewildered. It is widely advertised, most of the German Air Force being occupied in Russia, that the British have not seized the occasion to do any very heavy bombing. The Germans say that this shows one of two things--either, in the best of circumstances, the English are unable seriously to injure Germany, or they are seizing the opportunity of a temporarily distracted German attention to take tea and go on week-ends while someone else fights for them. To reenforce their argument, the Germans point to the complete quiescence of the British Air Force during the beginning

of

of the war and even when the Germans were advancing over Holland, Belgium and France.

The general expectation here at the time of the German attack on Russia was that the English would seize a golden opportunity and batter the German cities, at least as badly as the Germans did London, Coventry and Bristol.

This condition has seriously discouraged friends of democracy in this part of the world who, although not too numerous, are in many cases important people.

Unfortunately, however much we may object to their conclusion, the facts according to the reports of our own War Department are certain. A member of our Embassy in Berlin tells me the damage there is negligible, and that along the Rhine and even in the ports there is less than should be, particularly when we consider the absence of the German Air Force.

The German sympathisers also suggest that the Russians, having no real interest in a British victory, will not go on indefinitely suffering a series of defeats. It would be absurd to think that merely because of the general similarity of their

social

social ideas there can be no serious cause of contention between Russia and Germany, but it remains true that the Russians may not be willing to take dangerous risks and may decide to cut their losses if they are not supported.

I presume that much of the same sort of talk is circulating in the United States, where also it can do nothing but harm.

According to the Germans, their production of aeroplanes is less because they are altering their manufacturing plants to produce planes up to the American standard.

I am sorry to send you such an unpleasant letter, especially after the cheerful ones I was able to write before. I realize that both you and the British Government have more important things to think about than the morale of your supporters in this part of the world, but I think it is necessary to report this change of feeling and to analyze its cause.

Some years ago in New York after a very bad theatrical season somebody said, "There is nothing wrong with Broadway that cannot be cured

by

by a couple of good plays". Verbum sap
Olive sends her love, and I again
thank you for this most interesting post. I
enjoy pioneering far more than I would steady
construction.

Respectfully yours,

Herbert Pell

Herbert Pell.

The President

The White House.

PSF: Hungary Folder
1-41

November 14, 1941.

Dear Bertie:-

I am sending word to Henry Morgenthau, confidentially, to keep an eye on Claiborne. He undoubtedly has very interesting duty with the weather patrol.

You are in a wonderful observation seat, and I am glad that your letter sounds definitely more encouraging.

A curious episode has just occurred in the South Atlantic which you will have heard of by the time you get this. It raises a nice question - "If it is against the law for an American citizen to sink his own ship in territorial waters, is it against international law for him to sink his own ship on the high seas?"

With affectionate regards to you and Olive,

As ever yours,

Honorable Herbert Pell,
American Legation,
Budapest,
Hungary.



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

AMERICAN LEGATION
Budapest, Hungary
October 11, 1941.

Dear Mr. President:

I was very sorry that nothing could be done about Claiborne. He has just enlisted in the Coast Guard and is now, I believe, on the weather patrol. I would be grateful if you would keep an eye on him. I am too far off to do anything myself.

You will be glad to hear that American stock is going up every day in Budapest. The Government here has a gun at its back and can do nothing. The vast mass of the people hate the Germans even more than they do the Russians, who for twenty years they have considered the ne plus ultra of evil.

I believe the Germans would like to get us out and I am holding a watching brief, making as little fuss as possible. The intelligent class and the rich realize that in the event of a German victory, they will be wiped out as were their fellows in Poland. The people at large dislike the Germans and quite justly blame their hardships on Hitler's Government.

I fear this country will be looted during the coming winter almost as completely as was France. Hungary produces ample food for its own inhabitants and a good deal

for export, but sixty million Germans or even six would be a big load for a country with fewer inhabitants than the state of New York.

My experience upholding your policies for four years in the Union Club has been of great value to me here. I know how to skirmish outside the breastworks, and I must say it is more fun that would be a fat and easy district.

The best information I can get is that many of the German leaders, especially army officers, feel that victory is impossible and defeat by no means out of the question. They are beginning to talk of a negotiated peace--an idea which they would have scorned six months ago.

The coming winter will, I fear, be something terrible in Europe. Nobody will be comfortably warm and few will be sufficiently fed.

The statistics of our production of aeroplanes and ships is a dagger of ice in the back of every German. They talk of us and fear us. Sometimes they show it in little ways. For example, although the new German Minister called on me, his wife apparently does not intend to follow diplomatic usage and call on Olive. Both the German and Italian Legations are under orders to have no intercourse with us whatsoever.

More and more the people are flocking around me. The conversation in the Club, and at most dinner parties, is openly anti-Hitler. In spite of the Government decrees against him, Tibor Eckhardt's wife is a lion and hailed wherever she goes. Altogether I become more hopeful every day.

May I take the liberty of offering you a suggestion. I believe that if any German vessels are sunk in the Atlantic, it would be the part of wisdom for us to make no report whatsoever of the affair. Let them find out their losses for themselves. It will not be long before every vessel that is late will be given up, and even those that return will by their lateness help break German morale--not only in the civil population but among the sailors themselves.

May I further suggest that at home you should give an occasional sign of life to Jerry Mahoney in New York and to Ed Perkins in Poughkeepsie. both of whom write me most admiringly of you.

Olive sends her love.

I am

Respectfully
Herbert Pell
Herbert Pell

The President

The White House.

1. Mr. Summerlin says
hold & not try to
forward.

Put in Pell Folder

Hungary Folder

THE WHITE HOUSE
WASHINGTON

November 27, 1941.

MEMORANDUM FOR

HON. HERBERT C. BELL

FOR YOUR INFORMATION

F. D. R.

Memorandum for the President from the Secretary of the Treasury, 11/25/41, in reply to President's memorandum of 11/14/41, asking the Secretary to make an occasional check on Claiborne Pell, on behalf of his father. The Secretary reports that Claiborne Pell has passed examination for promotion to Ensign in the Coast Guard Reserve and has been recommended for appt. It is intended to assign him to one of the larger cutters, probably the Mourmahal. Later it is expected he will be transferred to duty in the Coast Guard Public Relations Office. Coast Guard headquarters has agreed to give the Secretary occasional reports on him.



THE SECRETARY OF THE TREASURY
WASHINGTON

November 25, 1941.

THE WHITE HOUSE

Memorandum to the President:

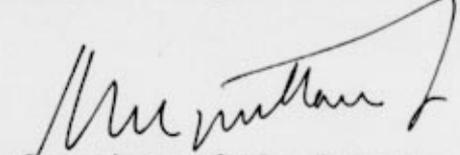
Nov 26 10 48 AM '41

In your memorandum of November 14 ^{RECEIVED} you asked me, on behalf of his father, to make an occasional check on Claiborne Pell.

After a talk with Commander Reed-Hill, who is in charge of Public Relations at the Coast Guard, Claiborne went to Boston and enlisted on August 18 as a seaman, second class, in the Coast Guard Reserve and was assigned to active duty on the DUANE, one of the 327 footers. The reports on him are good. He did his duty as a seaman without complaint and efficiently.

On October 16 he was detached from the DUANE and was later transferred to the ARGO, one of the 165 foot, twin screw, Diesel boats, which is now at the yard at Curtis Bay. On October 29 he passed creditably examination for promotion to Ensign in the Reserve and has been recommended for appointment. On the execution of his commission it is the intention to assign him to one of the larger cutters, probably the NOURMAHAL, which is being readied for weather patrol duty. Later it is expected he will be transferred to duty in the Coast Guard Public Relations Office.

Coast Guard headquarters has agreed to give me occasional reports on him.


Secretary of the Treasury.

Hungary