

● PSF

ICELAND

May 6, 1965

Memorandum for the Files

Copies of materials from the papers of Harry I. Hopkins pertaining to the occupation of Iceland (April 1941) will be found in open Hopkins Papers, Harriman folder, Box 157.

BF  
Iceland

SECRET

NAVY DEPARTMENT  
Office of the Chief of Naval Operations  
WASHINGTON

Op-12-WCB  
(SC)EF22-1/KK  
Serial 069312

June 16, 1941.

From: The Chief of Naval Operations.  
To: The Commanding General, First Marine  
Brigade (Provisional).

Subject: Instructions for the operations in Iceland  
of the First Marine Brigade (Provisional).

Reference: (a) CNO Secret Serial 067212 of June 16, 1941.

1. Your attention is invited to the reference.
2. After arrival in Iceland, and when so directed by the Commander in Chief, United States Atlantic Fleet, you will operate under the Chief of Naval Operations. The task assigned to you in Iceland is:

TASK

IN COOPERATION WITH THE BRITISH GARRISON,  
DEFEND ICELAND AGAINST HOSTILE ATTACK.

3. You will coordinate your operations for the defense of Iceland with the defense operations of British forces by the method of mutual cooperation. You will establish appropriate liaison with the Commanders of British naval, land, and air forces in Iceland.
4. Instructions as to special communications arrangements, and as to relationships with the Iceland Government and people, will be issued to you in future directives.
5. The Chief of Naval Operations expects that the United States Army will relieve the First Marine Brigade (Provisional) about September 15, 1941.
6. The urgency of delivery of this document is such that it will not reach the addressees in time by the next available officer courier. The originator therefore authorizes the transmission of this document by registered mail.

H. R. STARK.

6/16 2 11 45

Op-12-WCB  
(SC)EF22-1/KK  
Serial 069312

June 16, 1941.

(Cont'd)

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Op-12,13,16,20,23,30,38,38S  
War Plans Div., General Staff, USA (2 copies)  
U.S. Military Mission in London  
British Military Mission in Washington.

SECRET  
Op-12-VED  
(SC)EF22-1/KK  
Serial 067212

NAVY DEPARTMENT  
Office of the Chief of Naval Operations  
WASHINGTON

June 16, 1941.

From: The Chief of Naval Operations.  
To: The Commander in Chief, United States  
Atlantic Fleet.  
Subject: Instructions for the relief of a part of  
the British Garrison in Iceland by troops  
of the U.S. Marine Corps.

GENERAL

CONCEPT.

1. The President has directed that United States troops relieve the British Garrison in Iceland. The British Garrison will, after relief, be transferred elsewhere. The first echelon of United States relieving troops will consist of the First Marine Brigade (Provisional). It is expected that during August the first echelon of United States Army troops will sail from United States ports for the relief of both the First Marine Brigade (Provisional), and the remainder of the British Garrison. Staff personnel of the United States Army will accompany the Marine echelon in order to obtain information for the subsequent movement of Army troops to Iceland. British troops will not be removed from Iceland in United States transports.

2. The United States will not relieve the British Navy of the duties of operating British naval bases and British maritime services in Iceland. The United States will provide harbor services for the United States Garrison. United States aviation units may ultimately relieve British aviation in all matters connected with the air defense of Iceland and its territorial waters; the question of relieving British aviation charged with offensive missions will be settled at a future date.

INFORMATION.

3. Strengths of British naval, military, and air forces now in Iceland, or whose transfer there is planned for the immediate future, are as follows:

SECRET  
Op-12-VED  
(SC)EF22-1/KK  
Serial 067212

SUMMARY OF NAVAL, MILITARY, AND AIR FORCES IN ICELAND.  
(Also includes certain early reinforcements  
already approved.)

- (A) LOCAL NAVAL DEFENSE FORCES.
- |                            |    |
|----------------------------|----|
| Miscellaneous Patrol Craft | 15 |
| Minosweepers               | 6  |
| Anti Submarine Vessels     | 8  |
| Motor Launches             | 4  |
| Boom Defense Vessels       | 5  |
| Boom Carriers              | 1  |
| Examination Service        | 2  |
| Local Supply Ship          | 1  |
- (B) MILITARY GARRISON.
- (1) Infantry:
- |                       |   |                                   |
|-----------------------|---|-----------------------------------|
| Brigades              | 3 | Coast Artillery has               |
| Battalion             | 1 | <u>Following guns and search-</u> |
| Machine Gun Battalion | 1 | <u>lights:</u>                    |
|                       |   | Six-inch guns 4                   |
|                       |   | Four-inch guns 10                 |
|                       |   | 4.7-inch guns 2                   |
|                       |   | Twelve-pounders 2                 |
|                       |   | Searchlights 19                   |
- (2) Royal Artillery:
- |                       |   |                                   |
|-----------------------|---|-----------------------------------|
| Field Regiments       | 2 | <u>AA Artillery has following</u> |
| Field Battery         | 1 | <u>guns:</u>                      |
| Coast Regiment (of 6  |   | 3.7-inch guns 24 (16              |
| Coast Batteries)      | 1 | mounted)                          |
| Coast Artillery Group |   | Three-inch guns 2                 |
| (of 3 Coast           |   | Forty m.m. Bofors 13 (8           |
| Batteries)            | 1 | mounted)                          |
| Heavy Antiaircraft    |   |                                   |
| Regiment (of 3        |   |                                   |
| Batteries)            | 1 |                                   |
| Light Antiaircraft    |   |                                   |
| Batteries             | 2 |                                   |
- (3) Normal administrative units with additional work  
in constructor unit.
- (C) AIR STRENGTH.
- |                       |                              |
|-----------------------|------------------------------|
| Sunderlands           | 6                            |
| Hudsons               | 10, being increased to 20    |
| Northrup Float Planes | 12 (manned by Norwegians)    |
| Battles               | 14 (to be relieved by Hurri- |
| Hurricanes            | 5 canoes)                    |

SECRET  
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(SC)EF22-1/KK  
Serial 067212

4. Certain ports of Iceland are being used as bases for British naval forces operating for the protection of British sea communications. There have been some indications that Germany may be planning an attack on Iceland in the near future by land, naval, and air forces. There has been some slight indication of German activity in Greenland.

5. Information as to geographic, meteorological, and other conditions special to Iceland, are either in your possession or may be obtained by application to the Office of Naval Intelligence.

ASSUMP- 6. (a) That the occupation of Iceland by  
TIONS. United States forces is agreeable to the govern-  
ment of Iceland.

(b) That the vessels of the expedition to Iceland may be attacked by hostile surface and submarine forces.

(c) That troops and ships in Iceland may be attacked by hostile naval, land, and air forces.

TASKS. 7. You are assigned the following tasks for execution by the forces under your command:

a. TASK.

PROVIDE PROTECTION AND SEA  
TRANSPORTATION FOR THE INITIAL MOVEMENT AND  
THE CONTINUED SUPPORT IN ICELAND OF THE  
FIRST MARINE BRIGADE (PROVISIONAL).

b. TASK.

SUPPORT THE DEFENSE OF ICELAND  
AND ITS TERRITORIAL WATERS AGAINST ATTACK  
BY HOSTILE FORCES.

8. The First Marine Brigade (Provisional), while in Iceland, will operate under the Chief of Naval Operations. The Chief of Naval Operations will assign minor units to the United States Iceland Garrison as may be necessary for the performance of harbor services. The task which, in separate instructions, will be assigned to the Commanding General of the First Brigade will be:

SECRET  
Op-12-VED  
(SC)WF22-1/KK  
Serial 067212

TASK.

IN COOPERATION WITH THE BRITISH  
GARRISON, DEFEND ICELAND AGAINST HOSTILE ATTACK.

EXECUTION  
OF THIS  
LETTER OF  
INSTRUC-  
TIONS.

9. Upon receipt of this Letter of Instructions, you will take preparatory measures for the execution of the tasks assigned you in paragraph 7. You will prepare to move the vessels of the expedition to Iceland from United States ports by June 22, 1941. The Chief of Naval Operations will issue you the specific order to execute the movement.

10. Keep the Chief of Naval Operations informed as to projected movements sufficiently in advance to permit cooperative action by British forces, and to permit the Chief of Naval Operations to furnish you with information upon which you may determine your route and protective measures.

11. The urgency of delivery of this document is such that it will not reach the addressees in time by the next available officer courier. The originator therefore authorizes the transmission of this document by registered mail.

H. R. STARK.

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Comdg: Gen. 1st Marine Brigade (Provisional)  
Op-12, 13, 16, 20, 23, 38, 38S, 30  
War Plans Div., Gen. Staff, USA (2 copies)  
U. S. Military Mission in London  
British Military Mission in Washington

In reply refer to Initials  
and No.

NAVY DEPARTMENT  
OFFICE OF THE CHIEF OF NAVAL OPERATIONS  
WASHINGTON

17 June 1941

Dear Harry:

I know the President has thought this all out, nevertheless he has been so interested in the details and there is so much potential dynamite in this order, that I feel it should have his O.K. before I sign it. Secretary Knox concurs so I am sending it over to you as I don't want it to get in the general mail.

The normal thing to do, and in the interest of unity of command, and in view of the fact that we have only 4,000 troops and the British have about 20,000, would be to place this force under the direction of the British and from a despatch from Ghormley I feel this is what the British want - - - quite naturally - but I couldn't go quite that far.

I have, however, as the President will note, ordered the force to cooperate with the British (in defending a British base operated by the British against their enemy). I realize that this is practically an act of war.

We will be ready to move on June 22nd. I have not directed the force to move then, but to be prepared to move then, and it will be. I will wait the final "execute" until I get word from the President, for, as you know, the invitation from the government of Iceland has not yet arrived.

Sincerely,

Betty

Mr. Harry L. Hopkins,  
The White House.

would like to get that  
opt. welcome O.P. D.R. -

UNITED STATES GOVERNMENT

# Memorandum

TO : NLR

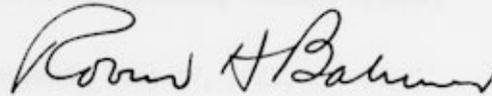
DATE: March 15, 1965

FROM : ND

SUBJECT: Transmittal of Documents on Occupation of Iceland Which have  
been Declassified

With reference to your memorandum of January 22, 1965, requesting declassification of certain documents on the occupation of Iceland, I am transmitting the documents described in Items 4 and 5 on which action has been taken by the Navy.

The Department of State has not yet acted on items described in 1, 2, and 3 of your memorandum. East called Parks' office about them on Friday, March 12. They will be returned as soon as State sends them over to us.



Robert H. Bahmer

Enclosure

ND

JAN 22 1965

NLR

[Jacobs]

Request for Declassification of Documents on Occupation of Iceland.

We have had a request for microfilm copies of papers here on the occupation of Iceland. I am enclosing copies of documents from our files that insofar as we know are still classified with the request that they be reviewed and if possible declassified. They are:

1. Cables between Harriman and Hopkins, April 8-11, 1941. Cables re establishment of bases in Bermuda, Iceland and Newfoundland.
2. Cables between Hopkins and Harriman, April 15, 1941 re date Newfoundland base could be completed.
3. Note from Sumner Welles to Hopkins, June 7, 1941, enclosing memorandum left with him by Lord Halifax and Hopkins' reply, June 11, 1941.
4. Orders from the Chief of Naval Operations to Commanding General, First Marine Brigade, June 16, 1941, containing instructions for operations in Iceland of that Brigade. Paragraph 3 task will be to cooperate with British garrison in defending Iceland against hostile attack.
5. Letter from Admiral Stark to Hopkins, June 17, 1941, re order mentioned above.

EED(CIS):edm

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 Dr. Robert H. Bahmer, Deputy Archivist of the U.S., The National Archives, Washington, D.C. 20408

SIGNATURE OF ADDRESSEE'S AGENT, IF ANY  
 F. Coe

DATE DELIVERED  
Jan. 25, 1965

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Dr. Robert H. Bahmer  
 Deputy Archivist of the U.S.

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Note: Drafts of <sup>the</sup> message to Congress  
together with <sup>Copies of</sup> exchange of corres.  
in special box, appropriately marked,  
with President's collection of  
addresses, etc.

PSF Iceland Folder  
1-41

THE UNDER SECRETARY OF STATE  
WASHINGTON

July 2, 1941

*file  
personal*

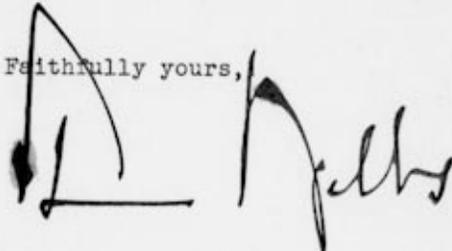
My dear Mr. President:

I am enclosing herewith the text of the message from the Prime Minister of Iceland to you, and the text of your reply thereto.

These texts are approved by the Prime Minister of Iceland. It is further understood that both Governments regard this approval as signifying that the messages have actually been exchanged and consequently no cable messages need be sent. This was considered necessary in order to avoid any danger of a leak.

Believe me

Faithfully yours,



Enclosures.

The President,  
The White House.

MESSAGE TO BE SENT BY THE PRIME MINISTER OF ICELAND  
TO THE PRESIDENT

In a conversation of June 24th, the British Minister explained that British forces in Iceland are required elsewhere. At the same time he stressed the immense importance of adequate defense of Iceland. He also called my attention to the declaration of the President of the United States to the effect that he must take all necessary measures to ensure the safety of the Western Hemisphere -- one of the President's measures is to assist in the defense of Iceland -- and that the President is therefore prepared to send here immediately United States troops to supplement and eventually to replace the British force here. But that he does not consider that he can take this course except at the invitation of the Iceland Government.

After careful consideration of all the circumstances possible safety for the inhabitants there and in view of the present state of the Iceland Government, in view of the present state of affairs, admit that this measure is in accordance with the interest of Iceland, and therefore are ready to entrust the protection of Iceland to United States on the following conditions.

1. United States promise to withdraw all their military forces land, air and sea from Iceland immediately on conclusion of present war.

2. United States further promise to recognize the absolute independence and sovereignty of Iceland and to exercise their best efforts with those powers which will negotiate the peace treaty at the conclusion of the present war in order that such treaty shall likewise recognize the absolute independence and sovereignty of Iceland.

3. United States promise not to interfere with Government of Iceland neither while their armed forces remain in this country nor afterwards.

4. United States promise to organize the defense of the country in such a way as to ensure the greatest possible safety for the inhabitants themselves and assure that they suffer minimum disturbance from military activities; these activities being carried out in consultation with Iceland authorities as far as possible. Also because of small population of Iceland and consequent danger to nation from presence of a numerous army, great care must

be taken that only picked troops are sent here. Military authorities should be also instructed to keep in mind that Icelanders have been unarmed for centuries and are entirely unaccustomed to military discipline and conduct of troops towards the inhabitants of the country should be ordered accordingly.

5. United States undertake defense of the country without expense to Iceland and promise compensation for all damage occasioned to the inhabitants by their military activities.

6. United States promise to further interests of Iceland in every way in their power, including that of supplying the country with sufficient necessities, of securing necessary shipping to and from the country and of making in other respects favorable commercial and trade agreements with it.

7. Iceland Government expect that declaration made by President in this connection will be in agreement with these premises on the part of Iceland, and Government would much appreciate its being given the opportunity of being cognizant with wording of this declaration before

it is published.

8. On the part of Iceland it is considered obvious that if United States undertake defense of the country it must be strong enough to meet every eventuality and particularly in the beginning it is expected that as far as possible efforts will be made to prevent any special danger in connection with change-over. Iceland Government lays special stress on there being sufficient airplanes for defensive purposes wherever they are required and they can be used as soon as decision is made for United States to undertake the defense of the country.

This decision is made on the part of Iceland as an absolutely free and sovereign state and it is considered as a matter of course that United States will from the beginning recognize this legal status of the country, both states immediately exchanging diplomatic representatives.

Approved by the President by telephone  
6:30 P.M. June 28 -

*D*

PSP Iceland

A.T.G.

Final Draft

7-7-41

TO THE CONGRESS OF THE UNITED STATES:

I am transmitting herewith for the information of the Congress a message I received from the Prime Minister of Iceland on July first and the reply I addressed on the same day to the Prime Minister of Iceland in response to this message.

In accordance with the understanding so reached, forces of the United States Navy have today arrived in Iceland in order to supplement, and eventually to replace, the British forces which have until now been stationed in Iceland in order to insure the adequate defense of that country.

As I stated in my message to the Congress of September third last regarding the acquisition of certain naval and air bases from Great Britain in exchange for certain over-age destroyers, considerations of safety from overseas attack are fundamental.

The United States cannot permit the occupation by Germany of strategic outposts in the Atlantic to be used as air or naval bases for eventual attack against the Western Hemisphere. We have no desire to see any change in the present sovereignty of those regions. Assurance that such outposts in our defense frontier remain in friendly hands is the very foundation of

our national security and of the national security of every one of the independent nations of the New World.

For the same reason substantial forces of the United States have now been sent to the bases acquired last year from Great Britain in Trinidad and in British Guiana in the south in order to forestall any pincers movement undertaken by Germany against the Western Hemisphere. It is essential that Germany should not be able successfully to employ such tactics through sudden seizure of strategic points in the south Atlantic and in the north Atlantic.

The occupation of Iceland by Germany would constitute a serious threat in three dimensions:

The threat against Greenland and the northern portion of the North American Continent, including the Islands which lie off it.

The threat against all shipping in the north Atlantic.

The threat against the steady flow of munitions to Britain -- which is a matter of broad policy clearly approved by the Congress.

It is, therefore, imperative that the approaches between the Americas and those strategic outposts, the safety of which this country regards as essential to its national security, and which it must therefore defend, shall remain open and free from all hostile activity or threat thereof.

As Commander-in-Chief I have consequently issued orders to the Navy that all necessary steps be taken to insure the safety of communications in the approaches between Iceland and the United States, as well as on the seas between the United States and all other strategic outposts.

This Government will insure the adequate defense of Iceland with full recognition of the independence of Iceland as a sovereign states.

In my message to the Prime Minister of Iceland I have given the people of Iceland the assurance that the American forces sent there would in no way interfere with the internal and domestic affairs of that country, and that immediately upon the termination of the present international emergency all American forces will be at once withdrawn, leaving the people of Iceland and their Government in full and sovereign control of their own territory.

*Franklin D. Roosevelt*

MESSAGE SENT BY THE PRIME MINISTER OF ICELAND  
TO THE PRESIDENT

In a conversation of June 24th, the British Minister explained that British forces in Iceland are required elsewhere. At the same time he stressed the immense importance of adequate defense of Iceland. He also called my attention to the declaration of the President of the United States to the effect that he must take all necessary measures to ensure the safety of the Western Hemisphere -- one of the President's measures is to assist in the defense of Iceland -- and that the President is therefore prepared to send here immediately United States troops to supplement and eventually to replace the British force here. But that he does not consider that he can take this course except at the invitation of the Iceland Government.

After careful consideration of all the circumstances the Iceland Government, in view of the present state of affairs, admit that this measure is in accordance with the interest of Iceland, and therefore are ready to entrust the protection of Iceland to United States on the following conditions:

1. United States promise to withdraw all their military forces land, air and sea from Iceland immediately on conclusion of present war.

2. United States further promise to recognize the absolute independence and sovereignty of Iceland and to exercise their best efforts with those powers which will negotiate the peace treaty at the conclusion of the present war in order that such treaty shall likewise recognize the absolute independence and sovereignty of Iceland.

3. United States promise not to interfere with Government of Iceland neither while their armed forces remain in this country nor afterwards.

4. United States promise to organize the defense of the country in such a way as to ensure the greatest possible safety for the inhabitants themselves and assure that they suffer minimum disturbance from military activities; these activities being carried out in consultation with Iceland authorities as far as possible. Also because of small population of Iceland and consequent danger to nation from presence of a numerous army, great care must be taken that only picked troops are sent here. Military authorities should be also instructed to keep in mind that Icelanders have been unarmed for centuries and are entirely unaccustomed to military discipline and conduct of troops towards the inhabitants of the country should be ordered accordingly.

5. United States undertake defense of the country without expense to Iceland and promise compensation for all damage occasioned to the inhabitants by their military activities.

6. United States promise to further interests of Iceland in every way in their power, including that of supplying the country with sufficient necessities, of securing necessary shipping to and from the country and of making in other respects favorable commercial and trade agreements with it.

7. Iceland Government expects that declaration made by President in this connection will be in agreement with these promises on the part of Iceland, and Government would much appreciate its being given the opportunity of being cognizant with wording of this declaration before it is published.

8. On the part of Iceland it is considered obvious that if United States undertake defense of the country it must be strong enough to meet every eventuality and particularly in the beginning it is expected that as far as possible effort will be made to prevent any special danger in connection with change-over. Iceland Government lays special stress on there being sufficient airplanes for defensive purposes wherever they are required and they can be used as soon as decision is made for United States to undertake the defense of the country.

This decision is made on the part of Iceland as an absolutely free and sovereign state and it is considered as a matter of course that United States will from the beginning recognize this legal status of the country, both states immediately exchanging diplomatic representatives.

MESSAGE SENT BY THE PRESIDENT OF THE UNITED STATES IN  
RESPONSE TO A MESSAGE FROM THE PRIME MINISTER OF ICELAND.

I have received your message in which you have informed me that after careful consideration of all the circumstances, the Iceland Government, in view of the present state of affairs, admits that the sending to Iceland of United States troops to supplement and perhaps eventually to replace the present British forces there would be in accordance with the interests of Iceland and that, therefore, the Iceland Government is ready to entrust the protection of Iceland to the United States on the following considerations:

1. United States promise to withdraw all their military forces land, air and sea from Iceland immediately on conclusion of present war.
2. United States further promise to recognize the absolute independence and sovereignty of Iceland and to exercise their best efforts with those powers which will negotiate the peace treaty at the conclusion of the present war in order that such treaty shall likewise recognize the absolute independence and sovereignty of Iceland.

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can be used as soon as decision is made for United States to undertake the defense of the country.

You further state that this decision is made on the part of Iceland as an absolute ly free and sovereign state and that it is considered as a matter of course that the United States will from the beginning recognize the legal status of Iceland, both states immediately exchanging diplomatic representatives.

I take pleasure in confirming to you hereby that the conditions set forth in your communication now under acknowledgment are fully acceptable to the Government of the United States and that these conditions will be observed in the relations between the United States and Iceland. I may further say that it will give me pleasure to request of the Congress its agreement in order that diplomatic representatives may be exchanged between our two countries.

It is the announced policy of the Government of the United States to undertake to join with the other nations of the Western Hemisphere in the defense of the New World

against any attempt at aggression. In the opinion of this Government, it is imperative that the integrity and independence of Iceland should be preserved because of the fact that any occupation of Iceland by a power whose only too clearly apparent plans for world conquest include the domination of the peoples of the New World would at once directly menace the security of the entire Western Hemisphere.

It is for that reason that in response to your message, the Government of the United States will send immediately troops to supplement and perhaps eventually to replace the British forces now there.

The steps so taken by the Government of the United States are taken in full recognition of the sovereignty and independence of Iceland and with the clear understanding that American military or naval forces sent to Iceland will in no wise interfere in the slightest degree with the internal and domestic affairs of the Icelandic people; and with the further understanding that immediately upon the termination of the present international emergency, all such military and naval

forces will be at once withdrawn leaving the people of Iceland and their Government in full sovereign control of their own territory.

The people of Iceland hold a proud position among the democracies of the world, with a historic tradition of freedom and of individual liberty which is more than a thousand years old. It is, therefore, all the more appropriate that in response to your message, the Government of the United States, while undertaking this defensive measure for the preservation of the independence and security of the democracies of the New World should at the same time be afforded the privilege of cooperating in this manner with your Government in the defense of the historic democracy of Iceland.

I am communicating this message, for their information, to the Governments of all of the other nations of the Western Hemisphere.

Approved by the President by telephone  
6:30 P. M. June 28 -  
DW

PST Iceland folder

1-41

THE WHITE HOUSE  
WASHINGTON

August 28, 1941.

MEMORANDUM FOR

THE SECRETARY OF WAR  
THE SECRETARY OF THE NAVY

The Joint Army and Navy directive in relation to troops in Iceland, dated August 18, 1941, is hereby approved, subject to the following qualification:

This directive is not permanent but states the plan of operations for the immediate future, subject, of course, to change.

In other words, and as an example, the "assumption" in paragraph #5 "That the British forces now in Iceland will remain there, etc.", and the directive in paragraph #1 "that the combined U. S. garrison in Iceland should be a force of 10,000 men" applies to the conditions to be expected during this coming Winter only. Later on this year it may be advisable to make plans to be put into operation in the Spring for additional U. S. garrison troops or even for the replacement of all British troops in the Island.

THE WHITE HOUSE  
WASHINGTON

-2-

Finally, I think it should be made clear that the Joint Task in paragraph #10 requires attack on Axis planes approaching or flying over Iceland for reconnaissance purposes.

F. D. R.

Joint Army and Navy Directive for augmenting the existing British Defenses in Iceland with troops of the U. S. Army and the U. S. Marine Corps.

PSF Iceland

Reykjavik, November 22, 1941

Dear Franklin:

Mail takes so long between here and Washington these days, that letters can serve no immediate purpose, but I am glad to be able to report for the record that, by and large, we really are making some progress up here, difficult as details may appear to be from day to day. The problem of the congestion of the port, about which I wrote you in my letter of October 16th, is being tackled in a serious way. Some additional berthing space is being prepared, and has almost been completed, with army help, and I am assured that some special dock troops are to arrive soon, together with more trucks to keep merchandise moving off the piers. As available local labor is already preempted, and enough combat troops cannot be spared from their training and tactical assignments to carry out port duties more than 16 out of the 24 hours, this expected assistance is of capital importance.

Another great problem, which I also mentioned in my letter, has been the living conditions of the troops. Morale officers and inspectors from G.H.Q., and an official of the American Red Cross have been here recently

The President,  
The White House,  
Washington.

recently and are making many excellent suggestions. The Red Cross has even begun to order equipment for recreation huts in accordance with General Bonesteel's wishes. I have no doubt that much will be done here very soon to make life more livable for our forces. The General is as keen as I am that everything should be done along these lines within reason. At the same time, he realizes fully that he is not commanding a base camp in the middle west, but a potential fighting force in an actual zone of war.

I have "seen by the papers" that we are to have a naval base here and that Admiral Kaufmann has been assigned to command it. I have no official news of this as yet, in spite of having telegraphed an inquiry on the part of the Icelandic Government as long ago as November 10th, but if it is true, it will be of immense practical value in connection with our occupation here, whatever its effect on operations. At present, with Admiral Giffen either at sea or else at anchor twenty-eight miles away ready to go to sea at any moment, getting things done promptly which require the coordination of both services is usually impossible. We definitely need an admiral ashore here, as the British have, and in this connection I may mention something brought up to me by both Admiral Giffen and Captain Barbey, now here inspecting for the Navy Department. According to the British - and this goes as high as the

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Incidentally, in this connection, I wonder whether it is really intended to keep this Legation as innocent as it has been to date of current important decisions regarding our forces and the Icelandic Government. Thus, I have learned only roundabout, from the British Minister and the Generals, of what appears our decision to send more American troops here this winter. Of our intention to spend millions to construct oil tank facilities on Icelandic land at Hvalfjordur, apparently for the British, I have heard only from the press and Captain Barbey.

Admiral Giffen

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Relations with the Icelanders have been complicated by a few street and café brawls and one fatal shooting, since I last wrote. However, not only has the Premier told the Commanding General, in my presence, that he is convinced the latter is doing everything possible to keep such incidents down to a minimum, but the public reaction toward our troops has shown little tendency to become inflamed. It is true that military occupation is not relished. But the wiser heads know that it is preferable to invasion, and everybody realizes by now that our military authorities are very severe on infractions of the local peace. We shall have, I am sure, more trouble as time goes on, since our troops are lively, and so are the Icelanders, but I shall be much surprised if it ever goes beyond the scrapping of young men who have momentarily got out of hand.

I need not trouble you with local politics. The Government has fallen, and risen again unchanged. The

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"oldest of Parliaments" has met and adjourned till February. The cause of the fall was purely internal, the difficulty of solving the rising cost of living. At one time it was felt that our delay in reaching a solution of Iceland's supply problem, by an extension of lease-lend, might play a part, but ammunition in the form of "assurances" from Washington prevented this. My task has been to make the delay look understandable and palatable, if possible. I have not succeeded wholly, I am sure, but at least we have kept the governmental crisis from being associated with our occupation in any way, except according to the German press, and that is something. At the moment of writing, the Icelanders seem to have accepted the idea of a loan from us to tide them over further delays in putting lease-lend to work.

On the military side, I feel every day more strongly that perhaps our chief danger at present lies in the use of the little port of Reykjavik as the one bottleneck through which reinforcements and supplies may be furnished to our forces. Later, I am assured, the northern and eastern ports will be developed for whatever troops we put in these areas. (Iceland as you know is practically divided by the central glaciers into the eastern, northern and southwestern coastal districts.) But the area around Reykjavik, being the most important, will always have to support our chief concentrations. Now, ships to load and unload, lie here lashed together

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home without success. But apparently it was presented from the point of view of evacuation only (now naturally the British nightmare), and I suppose that for purposes of flight under fire there is, indeed, not much to choose between a congested dock and a stormy beach! It may, however, be otherwise with questions of supply.

I am covering in this letter only a few of the things we are thinking about up here - the congestion of the port, army morale, the coordination of the services, our paucity of information, our relations with the Icelanders and their Government, and the danger of attack on our jugular vein. There is much more I could write, but I fear to clutter up your files - or your waste-paper basket. In consequence, I shall close with simply another reference to the question of the mails, as I began. It is at best a barren existence here for most Americans. Among the troops there is already a high incidence of mental disease of one sort or another, and several officers have had to be sent home owing to excessive strain. Under such conditions, our morale authorities agree that nothing can be of greater help than speedy and frequent mail service. I know what efforts have already been devoted to this problem. But if anything can be done to improve a service which often lets a letter take from three weeks to a month to reach here, you will probably hear the shout of joy clear back in Washington.

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The General is sending a number of officers on reconnaissance to the northern and eastern areas, leaving by boat perhaps tomorrow. The Admiral is saving a place for me and I hope to go with them, circumnavigating the island before our return, and thus to learn a number of things. In Greece, I never regretted a firsthand knowledge of the country, particularly after things began to happen.

Affectionately yours,

*Lincoln Goodrich*

WAR DEPARTMENT  
WASHINGTON

PSF Iceland

December 19, 1941.

The President,

The White House.

Dear Mr. President:

The Staff of GHQ, which is intimately associated with the situation at Iceland, has read Mr. MacVeagh's letter to you of November 22, 1941, and reports the following:

a. Appropriate action has been taken to improve the present capacity of the port of Reykjavik by 60 per cent, and to forward additional special port troops to relieve congestion on the piers.

b. Equipment for construction of recreational facilities is being forwarded as rapidly as available shipping will permit.

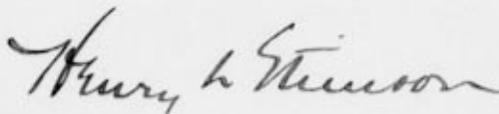
c. The question of the relief of British Naval forces, and their supporting coastal air forces in Iceland, is now under discussion between the United States and British authorities in London. The latest information indicates that the British feel that they must retain a naval operating base in Iceland in order to operate effectively against raiders and for convoy purposes.

d. Plans are now being prepared to establish additional port facilities at Valfjordur and at Keflavik to relieve congestion at the port of Reykjavik, as well as to provide alternate facilities in case of air attack.

e. Proposals have been made to the U.S. Navy to establish a more reliable mail service to and from Iceland. A staff officer from General Headquarters has just returned from an inspection of Iceland. His report states that Mr. MacVeagh has been extremely helpful to the Commander of the U.S. Army forces in Iceland and his good offices have smoothed out many delicate problems with the local government.

Apparently the relations between all echelons of our Army and the British Army and R.A.F. are on a most cordial and cooperative plane. The British have gone out of their way to render all assistance possible within their capabilities.

Faithfully yours,

A handwritten signature in cursive script, reading "Henry L. Stimson". The signature is written in dark ink and is positioned above the typed name.

Secretary of War.

PFS Iceland Folder

1-41

THE WHITE HOUSE  
WASHINGTON

copy  
(original in War Folder)

December 12, 1941

MEMORANDUM FOR

THE SECRETARY OF WAR

Please read this confidential telegram from MacVeagh, our Minister to Iceland, and talk it over with your Chief of Staff and the Navy.

In view of the amended Congressional action allowing us to send any troops any where, this Iceland problem should be restudied.

I should feel much happier if we had another 10,000 men in Iceland.

Please return telegram for my files.

F.D.R.

THE WHITE HOUSE  
WASHINGTON

December 12, 1941.

MEMORANDUM FOR

THE SECRETARY OF WAR  
THE SECRETARY OF THE NAVY

FOR YOUR INFORMATION AND  
COMMENT. PLEASE RETURN FOR MY  
FILES.

F. D. R.

COPY

PSF Iceland Folder

Reykjavik, November 22, 1941

Dear Franklin:

Mail takes so long between here and Washington these days, that letters can serve no immediate purpose, but I am glad to be able to report for the record that, by and large, we really are making some progress up here, difficult as details may appear to be from day to day. The problem of the congestion of the port, about which I wrote you in my letter of October 16th, is being tackled in a serious way. Some additional berthing space is being prepared, and has almost been completed, with army help, and I am assured that some special dock troops are to arrive soon, together with more trucks to keep merchandise moving off the piers. As available local labor is already preempted, and enough combat troops cannot be spared from their training and tactical assignments to carry out port duties more than 16 out of the 24 hours, this expected assistance is of capital importance.

Another great problem, which I also mentioned in my letter, has been the living conditions of the troops. Morale officers and inspectors from G.H.Q., and an official of the American Red Cross have been here recently and are making many excellent suggestions. The Red Cross has even begun to order equipment for recreation huts in accordance with General Bonesteel's wishes. I have no doubt that much will be done here very soon to make life more livable for our forces

The President,

The White House,

Washington, D. C.

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I have "seen by the papers" that we are to have a naval base here and that Admiral Kaufmann has been assigned to command it. I have no official news of this as yet, in spite of having telegraphed an inquiry on the part of the Icelandic Government as long ago as November 10th, but if it is true, it will be of immense practical value in connection with our occupation here, whatever its effect on operations. At present, with Admiral Giffen either at sea or else at anchor twenty-eight miles away ready to go to sea at any moment, getting things done promptly which require the coordination of both services is usually impossible. We definitely need an admiral ashore here, as the British have, and in this connection I may mention something brought up to me by both Admiral Giffen and Captain Barbey, now here inspecting for the Navy Department. According to the British - and this goes as high as the Commander of the Home Fleet, recently present - though they are actively preparing to move out their troops, they have no intention of abandoning naval control. As you probably know, no vessel can enter here unless it asks and receives British permission. It is already curious to see this state of things prevailing in the harbor of Reykjavik, where we now have more shipping and docking space than the British, and at Hvalfjordur where Admiral Giffen's squadron is regularly anchored behind British booms. Yet the British idea is apparently that it will continue to prevail even when we have taken over the military control of the whole Island. Admiral Giffen

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Relations with the Icelanders have been complicated by a few street and cafe brawls and one fatal shooting, since I last wrote. However, not only has the Premier told the Commanding General, in my presence, that he is convinced the latter is doing everything possible to keep such incidents down to a minimum, but the public reaction toward our troops has shown little tendency to become inflamed. It is true that military occupation is not relished. But the wiser heads know  
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I need not trouble you with local politics. The Government has fallen, and risen again unchanged. The "oldest of Parliaments" has met and adjourned till February. The cause of the fall was purely internal, the difficulty of solving the rising cost of living. At one time it was felt that our delay in reaching a solution of Iceland's supply problem, by an extension of lease-land, might play a part, but ammunition in the form of "assurances" from Washington prevented this. My task has been to make the delay look understandable and palatable, if possible. I have not succeeded wholly, I am sure, but at least we have kept the governmental crisis from being associated with our occupation in any way, except according to the German press, and that is something. At the moment of writing, the Icelanders seem to have accepted the idea of a loan from us to tide them over further delays in putting lease-land to work.

On the military side, I feel every day more strongly that perhaps our chief danger at present lies in the use of the little port of Reykjavik as the one bottle-neck through which reinforcements and supplies may be furnished to our forces. Later, I am assured, the northern and eastern ports will be developed for whatever troops we put in these areas. (Iceland as you know is practically divided by the central glaciers into the eastern, northern and southwestern coastal districts.) But the area around Reykjavik, being the most important, will always have to support our chief concentrations. Now, ships to load and  
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The General is sending a number of officers on reconnaissance to the northern and eastern areas, leaving by boat perhaps tomorrow. The Admiral is saving a place for me and I hope to go with them circumnavigating the island before our return, and thus to learn a number of things. In Greece, I never regretted a firsthand knowledge of the country, particularly after things began to happen.

Affectionately yours,

(signed) Lincoln MacVeagh.

✓  
Wm file

PSF Iceland Folder

THE WHITE HOUSE  
WASHINGTON

December 22, 1941.

MEMORANDUM FOR

HON. LINCOLN MacVEAGH:

FOR YOUR INFORMATION.

F.D.R.

Copy of  
Letter to the Pres. from the Secy of War  
dated Dec. 19th re MacVeagh's letter of  
Nov. 22 and reports on situation at Iceland.

PSF Iceland

December 19, 1941.

The President,

The White House.

Dear Mr. President:

The Staff of GHQ, which is intimately associated with the situation at Iceland, has read Mr. MacVeagh's letter to you of November 22, 1941, and reports the followings:

a. Appropriate action has been taken to improve the present capacity of the port of Reykjavik by 60 per cent, and to forward additional special port troops to relieve congestion on the piers.

b. Equipment for construction of recreational facilities is being forwarded as rapidly as available shipping will permit.

c. The question of the relief of British Naval forces, and their supporting coastal air forces in Iceland, is now under discussion between the United States and British authorities in London. The latest information indicates that the British feel that they must retain a naval operating base in Iceland in order to operate effectively against raiders and for convoy purposes.

d. Plans are now being prepared to establish additional port facilities at Valfjordur and at Keflavik to relieve congestion at the port of Reykjavik, as well as to provide alternate facilities in case of air attack.

e. Proposals have been made to the U.S. Navy to establish a more reliable mail service to and from Iceland. A staff officer from General Headquarters has just returned from an inspection of Iceland. His report states that Mr. MacVeagh has been extremely helpful to the Commander of the U.S. Army forces in Iceland and his good offices have smoothed out many delicate problems with the local government.

Apparently the relations between all echelons of our Army and the British Army and R.A.F. are on a most cordial and cooperative plane. The British have gone out of their way to render all assistance possible within their capabilities.

Faithfully yours,

Secretary of War.

File  
confidential

war file

Iceland Folder

1-42

Col. Taylor  
~~Will you deliver this?~~  
For delivery on  
Saturday am

**SECRET**

**WAR DEPARTMENT**

**WASHINGTON**

JAN 3 1942

MEMORANDUM FOR THE PRESIDENT:

Subject: Troops to Iceland.

The question of sending troops to Iceland as suggested in your memo of December 12th has now been settled by the agreement approved by you and the Prime Minister on January 1, 1942.

Eight thousand troops are scheduled to sail this month.

The telegram from Mr. MacVeagh is returned herewith as requested.



Acting Secretary of War.

1 Incl.  
Telegram (12-9-41)  
to Sec. of State  
from MacVeagh.

Franklin D. Roosevelt Library

**DECLASSIFIED**

DDO DIR. 5200.9 (9/27/58)

Date- 6-30-66

Signature- *Carl L. Spicer*

**SECRET**

THE WHITE HOUSE  
WASHINGTON

December 12, 1941.

MEMORANDUM FOR

THE SECRETARY OF WAR

Please read this confidential telegram from MacVeagh, our Minister to Iceland, and talk it over with your Chief of Staff and the Navy.

In view of the amended Congressional action allowing us to send any troops any where, this Iceland problem should be re-studied.

I should feel much happier if we had another 10,000 men in Iceland.

Please return telegram for my files.

F. D. R.

DEC 12 PM 3:58

WAR DEPARTMENT  
ADMINISTRATIVE ASSISTANT

005/21224-165

KD  
This telegram must be  
closely paraphrased be-  
fore being communicated  
to anyone. (SC)

Reykjavik

Dated December 9, 1941

Rec'd. 2:35 a.m., 10th

Secretary of State,  
Washington.

TRIPLE PRIORITY

155, December 9, 7 p. m.

~~STRICTLY CONFIDENTIAL~~ FOR THE PRESIDENT.

In company with the first American military reconnaissance group to make such a trip, I have just returned from a two weeks inspection tour all around this Island, and the following observations may be of interest to you:

The existing defenses in the North and East are decidedly inadequate. No more than one British brigade is stationed in the North and one battalion in the East, and these forces are organized primarily to meet invasion by sea, or by land up the principal fjord. Other fjords adaptable as submarine bases, as well as large areas of Hinterland suitable for landing troops by air, are covered only by small observation posts. Total aviation consists of only three Norwegian operated Northrup planes in the north and two in the east, while distance prohibits

effective use

REGRADED UNCLASSIFIED

-2- #155, December 9, 7 p. m., from Reykjavik.

effective use of fighters based on Reykjavik airdrome.

Under such conditions enemy seizure of half (repeat half) the island by air-borne troops landed in the reef of the coastal defenses is not impracticable, to be followed by air and submarine attacks on this area and the Atlantic lanes from the bases so secured. More troops in the interior east of Akureyri, as well as near the lake west of Seydisfjordur, together with a much larger air force locally based, would appear a possible answer to this menace, but though our army authorities are aware of the situation, the time element is important.

In the Reykjavik area, the present defenses of the port leave ships in the roadstead exposed to enterprising submarines, while the congested inner harbor forms an ideal target from the air. Since all our reinforcements and supplies now pass through this bottleneck, greater security here would appear imperative, and in this connection also I believe that any recommendations which may have been made to Washington for an increase of our air force in Iceland are justified and attended with urgency.

The attitude of the outlying Icelandic authorities is generally friendly, as here, but exaggerated reports  
of unruly

-3- #155, December 9, 7 p.m., from Reykjavik.

of unruly conduct of American troops has caused some  
uneasiness among the population.

MACVEAGH

HTM

## DEPARTMENT OF STATE

Memorandum of Conversation

DATE:

January 9, 1942

SUBJECT: *file Confidential*PARTICIPANTS: The Icelandic Minister, Mr. Thor Thors,  
Mr. A. A. Berle, Jr.

COPIES TO:

\*\*\* 1-1492

The Icelandic Minister came in to see me at his request.

He said that he had been invited by the President to the original meeting at which the Declaration by United Nations had been discussed, and the President had said he hoped Iceland would sign. When, however, the document was later opened for signature Iceland had not been invited. He wished to cable the situation to his Government. He made it clear that this was not in the nature of a protest but merely an inquiry as to the circumstances.

I said that as the Declaration had finally been drawn it applied only to governments which were at war, since it included a covenant not to make a separate peace. The

Icelandic

Icelandic Government had made it very plain that it was not a belligerent but a neutral. In these circumstances, and since the President had opened the question with the Icelandic Minister, I had considered that we should leave it to the Icelandic Government to follow up or not, as it chose. Since it was not at war, I feared that the Minister might have been put in the position of having to refuse to sign the Declaration and that the kindest method was, accordingly, to leave it to the Minister's discretion and the determination of his Government. This was peculiarly true since American troops were on Icelandic soil and we wanted it perfectly clear that there was not the slightest desire to influence their course.

The Minister said he knew all this, and was very appreciative of the fact that we had left the matter entirely to their discretion. Iceland, he said, was not at war and could not enter the stipulations of the Declaration without an act of Parliament, which did not meet until February 15. Their policy had been that of nonbelligerency. He had thought, at the time of the White House discussion, that the Declaration was merely one of principle, without including the stipulation making it virtually an act of belligerence; and that when that clause appeared, a different set of considerations came into play.

He

He wondered whether some other form of adherence ought to be considered.

I said that particularly because our troops were in Iceland, we were loath to advise. I personally thought that they might want to take into consideration the possibility of adhering to the Atlantic Charter; or conceivably they might wish to propose adherence to the Declaration by United Nations, with reservation that, not being at war, the "no separate peace clause" naturally did not apply. But, I said, as to that, it was entirely a matter for their determination and we would sympathetically consider any approach they might make.

The Minister said he was going to report to his Government by mail in time for discussion at the next meeting of the Icelandic Parliament.

A.A.B., Jr.

FOR YOUR FILES.

L . BERNEY

*war  
file*

THE WHITE HOUSE  
WASHINGTON

March 12, 1942.

MEMORANDUM FOR

MISS BERNEY

I have been asked to return the  
attached papers to the White House files.

General Marshall, <sup>forwarded</sup> Mr. MacVeagh's  
report for the information of Admirals  
Stark and King, and the two last named  
have read it.

*McC*  
JOHN L. McCREA

*Iceland Folder*

~~SECRET~~

WAR DEPARTMENT  
OFFICE OF THE CHIEF OF STAFF  
WASHINGTON

March 5, 1942.

MEMORANDUM for Admiral Stark  
" King:

Attached is a letter from the Minister to Iceland to the President, which he referred to the Secretary of War for comment. I am sending it over for you to see, as a definite reference and recommendation is made here to Unity of Command.

The President desires the memorandum to be returned to him.

*[Handwritten Signature]*  
Chief of Staff.

encl

RECEIVED S-C FILES  
Room 2055

MAR 7 1942

ROUTE 10- 10  
Op File No. (SC) EF22-1  
Doc. No. 43344  
Copy No. 1 of 2  
PRN \_\_\_\_\_

Franklin D. Roosevelt Library  
DECLASSIFIED  
DOD DIR. 5200.9 (9/27/58)

Date- 6-30-66

Signature- *[Handwritten Signature]*

~~SECRET~~

002 370.35 10876

Note White House  
request for return of  
encl

THE WHITE HOUSE  
WASHINGTON

February 26, 1942

MEMORANDUM FOR SECRETARY STIMSON:

The President is anxious that you  
and George Marshall both read this.

Will you please return it to me when  
you are through because it is the only  
copy we have.

HARRY L. HOPKINS

1942 FEB 26 PM 12:54

WAR DEPARTMENT  
ADMINISTRATIVE ASSISTANT

NOTES ON THE SITUATION IN

I C E L A N D

FEBRUARY, 1942

By

Lincoln MacVeagh,  
American Minister.

DEPARTMENT OF STATE  
WASHINGTON

Friday, February 20, 1942.

Dear Franklin:

I have come home from Iceland for consultation, and hope to see you when you have a moment. Meanwhile I am clearing up some pending Icelandic questions in the Department and elsewhere, and have prepared the enclosed notes on what I feel to be the outstanding aspects of our situation at present. I send them to you for your convenience, should you be interested, since they summarize in condensed form much of what I have to tell you. As you will observe, I feel that our relations with the Icelandic authorities are satisfactory, but that unification of the American command in the island (now that we have a Naval Base as well as an occupying military force) is most desirable, and that considerations having to do principally with the character of the Icelanders advise greater attention to problems of security and counter-espionage. (I have had very helpful talks with both General Lee and Colonel Donovan on this latter question.) In addition, I have noted that, as things are going, we are unlikely to be able to repel any serious attempt at invasion - and German attempts are always serious - for another year at least. My judgment in this matter, which I formed in Iceland, has been confirmed in conversation here with the Operations Section of G.H.Q.,

which

The President,

The White House.

OCS 21072 Iceland (3-3-42)

which, however, seems to regard the control of the adjacent seas by the British fleet as our main, and perhaps sufficient, defense. My notes do not touch on what I am, of course, very anxious to learn, namely, whether our involvement with Japan is going to alter our plans in regard to Iceland. Since my arrival here I have become aware of certain opinion which holds Britain to be the logical defender of Iceland, militarily as well as by sea, on account of the excessive strain to our shipping under new conditions.

As always,

Affectionately yours,

*Lucretia Macbride*

I.

The question of the importance of the military possession of Iceland may perhaps best be answered by another question: what would be our situation if Germany were in control there rather than we or our allies? If it was important to secure the safety of convoys to England by holding this flanking position when we were still non-belligerent, it is certainly more so now that we ourselves are sending our own forces, and their vital supplies, across the North Atlantic. The island should therefore be adequately defended either by us or by the British or by both of us together, the third of these solutions, for obvious reasons, being the least desirable.

So far as we are concerned, we have established a promising bridgehead in Iceland with about 10,000 men in the Reykjavik area. We have made a study and drawn up careful plans for the defense of the entire island, calling for two divisions, and we have located and drawn up plans for a number of strategically situated air fields besides the two now in use at Reykjavik and nearby Kaldadarnes. We have also established an operational naval base at Reykjavik, and are developing fueling facilities in the protected anchorage at Hvalfjordur. On the other hand, the military forces now present are only a fraction of those called for, the entire north and east of the island is still exceedingly vulnerable to invasion, and the port of Reykjavik is still so congested that vessels must sometimes wait a month before they can unload, while

storage

storage facilities are so scanty that a vessel (the Yukon) recently sailed for home with 1200 tons of food-stuffs for Iceland still in her hold. Furthermore, we have actually fewer planes on hand now than we had four months ago, owing to wear and tear and lack of reinforcement. Thus a tremendous amount remains to be done if we are to insure the country's security and in the meantime the spring, which is the most favorable time for attacking Iceland on account of climatic conditions, is coming on apace, and the British have already begun to withdraw their forces so that whatever of ours is now coming in only replaces what has left or is leaving and does not help to swell the total.

✓ Housing facilities in the island are extremely limited because of the sparseness of the population, and camping is impracticable except for a very short time in summer, because of the weather, which is wet and windy beyond anything known in America. The sending of huts, both for storage and barracks, should therefore coincide with the dispatch of troops. Local labor is of course available only in limited quantities, and imported labor is both exceedingly costly and difficult to handle. Troops must consequently do much of their own work in unloading, in road building and repair, in setting up huts and so forth. But, on the other hand, troops must also be trained for combat under local conditions and kept on an immediate defense basis. All in all, indications point to our being very far from ready to handle any serious situation this coming spring, and to the likelihood of its being at least another year before we can be established on the footing planned.

II.

There has been no real friction between our naval and military commanders, but there has been a lack of liaison between their commands and between themselves too, to a certain extent, which has led to misunderstandings, delays, and, in one case, to a fatal accident. In times of emergency this might lead to much greater misfortune, and, I believe, should be immediately cured. With the British, the naval commander is senior, as belonging to the senior service, and, in all matters concerning the navy ashore, his wishes are carried out by the army authorities. Perhaps, however, our naval base might better be put under the command of the army commander in everything which does not concern naval operations, since the present army commander is senior, and has a larger staff at his disposal, as well as greater administrative experience. In any case, unity of command would place the responsibility for the unloading and moving of troops and supplies in the hands of one authority only. It would also centralize and facilitate the development of our service of security. And it would put into one channel all questions having to do with the local government and the Legation, such as leases and hiring of labor. If it did not actually touch the question of coordination of operations, it would at least help in this direction by obviating conflict and confusion in the daily routine involving both services.

III.

The leading political men of Iceland are nearly all genuinely in favor of our occupation, and none is on record against it. Nevertheless there is little if any spontaneous cooperation on the part of the authorities, and there is a marked propensity in certain quarters to cooperate only under protest. It is necessary to ask for everything we get, and often to overlook a grudging attitude, and even downright bad manners, in the granting of our requests and in the taking of our money, no matter at what outrageous profit. The reason for this would appear to be twofold. In the first place, the leaders in Iceland are all political figures, or associated in some way with one party or another in a country which is politically minded to the highest degree. They themselves, in most instances, have had opportunities to know the world outside, and it would be surprising if they could not appreciate the problems which have led to the occupation. But the public at large has had no such advantages, and while its leaders are able to lead the public to a certain extent, they feel they cannot go too far or too fast with the ballot box in the offing. They took one great step when they represented Iceland as willing to accept the occupation which the British forced upon them, but their subsequent acceptance of American occupation was really something like hedging on their part, since they knew the public would welcome a non-belligerent in the place of a belligerent protector. The character of the typical Icelander, which the leaders must respect, is the other factor in the situation. This character is the product, naturally, of history and past environment. It is that

of all small isolated communities, in that it is suspicious of the foreigner in general, though often hospitable enough to the individual, especially in the country districts. The typical Icelander may recognize the value of having great powers protect his country, but he won't open his arms to the occupying forces, for all that, nor thank any government of his which may attempt to make him do so. Thus, the political nature of the Government and the isolationist attitude of the people work hand in hand against full cooperation with us. In addition, the Icelander is cautious as well as suspicious. The average citizen is by no means sure that Britain and the United States are going to win this war, and he hesitates to commit himself too far lest the Germans eventually come in and he be caught off base.

This probably explains the tendency, very marked in the case of the municipality of Reykjavik, to include, in leases quite freely entered into and generally extremely profitable to the Icelanders, a clause saying that the matter has been concluded "under protest". The history of Iceland, her secular exploitation by the Danes, and her remoteness until the recent great development of the airplane, explain all this, but unfortunately we have to deal with facts rather than with the reasons for them, and these facts sum up to the total that, whatever the leaders may think, our occupation of Iceland is accepted by the people with reservations which go very deep indeed. That there is no real friendliness for foreigners is particularly hard for us to swallow since we are habitually very conscious of our own good will and prone to regard ourselves as

especially

especially lovable among the peoples of the earth. Conversely there is a very definite danger to us in such a situation if we continue not only to wear our hearts on our sleeves but keep our heads in the sand. The absent foreigner appears less dreadful to the Icelander than the foreigner who is on the spot, and the Icelander has little means of appraising the real value of the statements made to him of German cruelty and oppression in the enemy-occupied countries. He thus offers good soil for the spread of anti-American and anti-British propaganda and his native secretiveness lends itself admirably to the uses of the would-be seducer. We can and should attempt to win his friendship and not give up this effort simply because it is difficult or likely to be crowned with only a modicum of success, but things being as they are, we should at the same time cultivate vigilance and prepare ourselves with the utmost thoroughness to take strong measures of control should any attack on the island take place. I have heard it said that if the Germans should invade Iceland the people would then realize their good luck in having asked us in. I believe it more likely that they would promptly blame us for being the lightning rod which attracted the lightning. They are not numerous enough to do much against us overtly, and it is probable that no Fifth Column is at present organized among them. But there are certainly many Icelanders who might be tempted to obstruct and sabotage our efforts should we fall into local difficulties and the German star appear in the ascendant. To keep such a diffused and almost intangible danger under observation is more difficult than it would be to keep tabs on one more definite and organized. The machinery of our occupation

occupation is complicated, including a port visited by seamen of many nationalities, a whole host of isolated observation and sentinel posts scattered over a vast area, and an intricate and far-flung network of radio and telegraphic communication. All this can be adequately protected only if our intelligence service is superlatively alert and efficient. I believe it is alert now, but its efficiency must depend to a certain degree on its having sufficient personnel for the magnitude of the job, as well as on the methods used. I am informed that the British service of security, on which our people have perforce been leaning heavily, is soon to be withdrawn. No time should be lost in insuring our possession of an adequate staff with which to replace it. As to methods, I believe that a goodly number of our operatives should be in civilian clothes and that their connection with the army should be kept secret. Icelanders not only refuse to open up to men in uniform, on account of the country's age-old prejudice against the military life, but sometimes take malicious pleasure in misleading such persons. Even should the British not depart as expected, or should they leave behind them some of their security men to assist us, - as has been proposed, I believe, in connection with the security of the port, - we should still do well to increase our own force. The British tend to treat the very proud and independent Icelanders as "natives", and to regard all of them who are not actively pro-British as being ipso facto pro-Nazi, which is by no means always the case. A more discriminating and subtle approach, screened behind the more democratic attitude natural to our own men, would probably keep open for us many sources and channels of information now almost automatically closed to our British friends.

IV.

Regarding trade relations, it may be said that after being mystified and alarmed by the delay in putting lease-lend to work in Iceland, the local authorities have been much encouraged by the arrival of representatives of the Department of Agriculture and institution of lease-lend operations under the fish and allied contracts. The public has had its cupidity aroused by talk in the papers and elsewhere of millions of dollars to be made available for any purchases Iceland may wish to make in America. It appears not to be very clearly realized that our priorities and the difficulties of transport under war conditions may restrict such purchases in the future quite as much as the British control of Icelandic foreign exchange has done in the past. But so far as we are concerned, it may be pointed out that our lease-lend people, in connection with the contracts for British purchase of Icelandic products (with our money), are being called upon to settle price questions in which quotations and offers differ widely, and that the Icelandic authorities have been putting all the pressure they dare on the Legation to get us to favor them rather than our British allies. The need for due attention to our obligations to Iceland has been impressed on our negotiators, but neither these obligations nor our sympathy for a small people should make us forget that the Icelanders are shrewd and habitually cry more than is warranted and ask for more than they expect. In general, we, and recently the British, have been and are treating Iceland very well in trade matters, whatever she may allege in order to get us to do still more for her, and where we are chiefly lacking is in our own military preparations, coordination and security.

WAR DEPARTMENT  
OFFICE CHIEF OF STAFF  
WASHINGTON

5/7/42

My dear Mr. President:

I have read Mr. Mac-  
veagh's letter to you  
of April 25<sup>th</sup>. I understand  
that Admiral King also  
has read it.

The situation there  
seems to be developing  
unusually. *W. H. H. H.*

Handwritten notes on a stamp: "10/12/42", "2/2/42", "Mtd from Mr. G. 6/7/42", "OFFICIAL USE ONLY", "OFFICE CHIEF OF BUREAU", "RVS DELAVALLHEAL".

Island Folder

file personal.

Reykjavik  
April 25 1942

Dear Franklin:-

There is a fast conveyance leaving almost immediately which affords a quicker means of reaching you by letter than may occur for some time to come, and prompts me to send you a brief preliminary report on conditions here, covering at least what I found on my return.

Relations between our troops and the Icelanders has perhaps deteriorated, owing to a number of incidents. Inexperienced sentries have been too quick on the trigger,

and this, together with the commission of <sup>2</sup> many minor crimes involving violence and threats of violence, has caused a good deal of dislike of us and our ways, as well as fear. Under the influence of this dislike, and of liquor, young Icelanders occasionally make the situation worse themselves, by baiting our men and egging them on to ill-considered actions. Something will have to be done, and will be done to meet this problem. I think it will always be with us, so long as our troops remain in the country. Americans bring what they are, some loose ends will always escape discipline, and the Icelandic temperament is cocky and easily stimulated to be quarrelsome. But I look for some improvement - now from a new campaign of restriction and instruction on the part of the General. So long as he keeps working on the matter, and the present understanding between him and the leading Icelanders continues

to exist, we may have fluctuations in 3  
this "town and gown" situation, but it won't  
get out of hand. My next report should indicate  
an improvement, then; and I may note here  
that the General's task is likely to become  
easier as time goes on, since the troops now  
coming in contain a good proportion of drafted  
men, who are more serious and tractable than  
the average regular recruit.

My reception, on my return, from the Regent,  
the Prime Minister, and the Minister for Foreign  
Affairs, was (to me) surprisingly friendly and  
cordial. Internal politics threaten an overturn  
in the government, but I was assured that  
there can be no question of any change in the  
fundamental foreign policies of the nation. As  
the present Premier and Foreign Minister re-  
present the dominant parties, the assurance  
may be taken, I think, quite at its full  
face value.

Icelanders in general still tend to  
think themselves aloof from this war, and

When I left for the United States the end of January, such was pretty much the attitude of the leaders also. But the other night the Foreign Minister volunteered to me the statement, "We are in this war just as much as you are." I look to see this salutary conviction seep down among the people as time goes on, and when it does reach the national consciousness we shall doubtless have less trouble with "turn and gown."

In previous letters, I have spoken of congestion in the port of Speykiaik. Now I can report that not a little amelioration, but great strides have been made <sup>toward</sup> clearing this up. We came in with three loaded transports, two of them of about 15,000 tons each. They were all docked and cleared - troops debarked, cargoes unloaded, British troops embarked, and British cargoes loaded, - in three days! Unloading now goes on 24 hours a day. The port is still too small, and is still the only place we have to unload heavy stuff, but -

5

The West Quay now takes big ships, the Main Quay has been extended, and ships do not have to lie in the roadstead for anything like the time they used to.

We are, of course, having all sorts of problems over lease-lend, the hiring of local labor, claims and so forth, but I find the tone in which these affairs are proceeding is for the moment surprisingly good. The fact appears to be that Iceland is benefiting considerably by having her economy entrusted to us at this juncture. The war is preventing us from doing everything we might do in the way of supplying her needs, but we are doing so much in comparison with what England could do, that even such horse-traders as the Icelanders can't keep from showing satisfaction.

The health of the troops remains excellent and the morale good. The Supreme Military command has passed to us with the departure of General Curtis, who was senior to General Dornstedt, and we are now having some difficulty over taking over radio censorship in its entirety, but that should be settled soon. The cable to England has "gone out"; I am told

6

for the duration. Icelandic mail now comes direct from the States, and soon may be going there direct, according to our promise, censorship being effected at one end.

The General seems happy because he is getting new troops in and gradually building up to the strength of two divisions which he feels necessary for the defence of the island. Soon he should have enough to begin taking over the north and east from the British. But our air strength is still lamentably low. Competent observers appear to regard it as hardly more than an invitation to the Bosche to destroy it! A German general is reported today as having broadcast that the United States intends making Iceland into an "unsinkable aircraft carrier." Perhaps they plan to put us out of action before we're equipped.

Ever yours affectionately

Luicoh MacBrough

C  
O  
P  
Y

Legation of the  
United States of America

Reykjavik  
April 25, 1942.

Dear Franklin: (Roosevelt)

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Icelanders in general still tend to think themselves aloof from this war, and when I left for the United States the end of January, such was pretty much the attitude of the leaders also. But the other night, the Foreign Minister volunteered to me the statement "We are in this war just as much as you are." I look to see this salutary conviction seep down among the people as time goes on, and when it does reach the national consciousness we shall doubtless have less trouble with "town and gown".

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Ever yours affectionately,

/sgd/ Lincoln MacVeagh

file  
personal

Iceland Folder  
1-42

LEGATION OF THE  
UNITED STATES OF AMERICA

Reykjavik, June 8, 1942

Complete corrected  
June 12<sup>th</sup> —

Dear Franklin:

It is 4:10 in the morning. The sun is well up over the mountains, behind which he hides for a couple of hours each so-called night at this season of the year. I am just back from the airfield after meeting Mr. Molotov on his return to Russia, and breakfasting with him and our officers. The Icelanders have been using the hotel, where I am still lodging, all night for a tremendous party from which they are now reeling homeward, and as I don't fancy walking out among them just now, and as quieter citizens (and distinguished guests) desire rest, I take up my pen to continue my tale of Iceland where I last left off.

Militarily we have made great strides here in the past few months, and I really feel that we are beginning to amount to something. We actually have a few tanks, but are still weak in aviation, particularly pursuit. Most of the British Army is gone.

There

The President,  
The White House,  
Washington.

There is a brigade in the north, and a battalion in the east--still the only troops in those areas--but the General has been around the island on the trail I took last winter, and relief by our men should follow soon. Incidentally, he tells me that he agrees with the criticism I made of the British dispositions, especially in the east, now that he has seen the country for himself. Concentrations in the heads of the fjords are too vulnerable to attack from the rear by airborne troops. He plans to concentrate up country in the strategic area around Eigelstadir Lake and guard the fjords with detachments, a much safer proceeding. The east has taken on a new importance since the British fleet has begun to use Seydisfjordur in a large way, but it is still around Reykjavik that our effort is most notable. Here the American Army has already improved the defences remarkably. I think the British troops here were tired--and naturally so since many of them had gone through the disaster in France. At any rate, our men have gone at their business with infinitely more vigor. Their works are to be seen everywhere in a big semicircle of many square miles around this city, from the main fleet anchorage at Hvalfjördur on the northeast to the new  
airfield

airfield at Keflavik on the southwest; new roads, new bridges, fords paralleling the bridges, pill boxes enfilading the roads, and even cages for the prisoners we have not got but hope to have. Work on the so-called "tank farm" which we are building for the British at Hvalfjörður is progressing steadily. Over thirty of the projected forty-four storage tanks have been erected. But the most encouraging development is in connection with our airfields. The British have made one at Reykjavik, which we are using along with them at present. But we have now started a huge one of our own at Keflavik, forty miles away, not omitting to secure most-favored-nation rights for its commercial use after the war, and an auxiliary field has already been completed at the same place, which is expected to come in useful in connection with the fighter "ferry" which we understand will be coming this way soon. In addition, I have just started negotiations for the ground necessary for a second large field in the north, east of Akureyri and south of Husavik. As to shipping, the Murmansk convoys come in and go out. They return, alas, like the Light Brigade, "not, not the Six Hundred", but really the effort is magnificent. Thirty-five ships went out the other day and lost seven of their number passing round the North Cape, or "Windy Corner".

Corner". Thirty-five more are waiting now at Hvalfjördur for a convoy to be made up. Here at Reykjavik the docking and unloading problem has so well been solved that just now there is no boat unloading and no boat awaiting unloading. Vessels, as you may remember, used to wait a month.

The relations of the troops with the civil population continue to afford us our chief unsolved problem. When I last wrote I spoke of our sentries' being too quick on the trigger. Shortly before that a man who had driven past a sentry post in a car had gotten himself killed for it. He was apparently under the influence of liquor, and the sentry took no considered aim but loosed off his rifle from the hip. Nevertheless, by a combination of bad luck and folly, the man was shot, and this caused great consternation and fear among the people. The General was most severe in dealing with the sentry and his superiors, but the still waters of local feeling ran deep. Then, a couple of weeks ago, a sentry shot and killed a boy twelve years of age who was playing around his post. The trial is slated to be for murder, though perhaps the sentry should hardly be considered sane. The General again came down heavily on all concerned, and the Legation saw to it that the Icelandic press and public were at once informed of

the

the prompt action taken by the military and of the deep regret and sorrow of all true Americans. The press and the Government responded very decently, but though the incident might be regarded as a piece of bad luck for our forces it was very shocking, and local feeling and distrust increased. Hardly had we gotten over this incident, moreover, when just the other day a sentry opened fire on a fisherman who was proceeding through a restricted area, but actually quite properly on his lawful occasions. Here we had some good luck at last, for only the fisherman's boat was hit, but again public opinion was stirred and again justifiably.

In connection with these incidents, and with a few shootings which occurred last fall as a result of brawls, the Icelandic press has uniformly admitted the good intentions of the American high command, but has criticized its control over its men. The truth seems to be that some of our men are still rather deficient in training, though they find themselves, on account of the magnitude and speed of our war effort, in what is definitely a war zone. How to obey orders in guarding a vital military area in such a zone, while showing proper discrimination toward the local population, must somehow be taught these men, and I know that the

negotiations for a trade agreement between the United States and the Icelandic Command

States

Command is doing everything possible to bring this about, having not only talked on this subject with the General many times but listened myself personally to the posting of guards. Meanwhile, spats between troops on pass and idle Icelanders have notably decreased, and the general conduct of our men has improved.

I have been greatly helped in our public relations by the new press section which Colonel Donovan, whom I consulted on my recent trip home, has enabled me to install in the Legation. The Red Cross, which is giving splendid assistance locally, is also being of enormous value to our cause. The Army itself, through its Civil Affairs Section, is catching many small difficulties at their inception and smoothing them out by personal contacts, which is much appreciated by the Government and individuals alike. I hope the Navy will soon do the same thing up at Hvalfjörður, where the local farmers have made complaints about our merchant crews.

Lease-Lend here has made big strides in the last few weeks, two representatives from the Lease-Lend Administration in Washington having succeeded in arranging several important contracts for British purchases during the coming year. In addition negotiations for a trade agreement between the United

States

States and Iceland have been started. Problems having to do with the local labor market and the handling of American contract labor imported especially for the "tank farm" and Keflavik projects need no special comment, since nothing has gone either very right or very wrong in regard to them. Our military hospitals are rapidly increasing in size and efficiency. The health of the troops still holds up remarkably well under local conditions, but we have an epidemic of jaundice at present, brought over from the United States by the latest contingent from Camp Custer-- about six hundred cases. Recreation problems for the troops have by no means yet been solved. The Red Cross is working splendidly in the scattered camps, but we have tried in vain to get a central building in the town, where local politics and prejudices balked our efforts. Now we hope to get the British Officers' Club. There are some softball baseball fields here and there, but as the Icelandic countryside is mostly composed of lava and tundra such fields are difficult to locate. Sometimes the men go fishing, but the sport is expensive here, where all the rivers are privately owned and one must rent privileges. On the whole, the life of our men was pretty well described to me by a soldier: "We eat, sleep, and work".

Local

Local politics have been very active as usual. The Government has fallen, and the Foreign Minister, while retaining his old portfolio, has taken over the Premiership in addition. He is Mr. Olafur Thors, an elder brother of the Icelandic Minister in Washington and head of the Conservative Party, considered the largest in the country. New national elections will be held next month on the question of revision of the electoral provisions of the constitution. If the proposal is carried, a second national election will have to be held later, on the basis of the new provisions. I need not trouble you with details of this matter, which have of course been reported to the Department, though I feel sure that if time permitted you would find much to interest you in political intrigues and maneuvers which are fine specimens in their kind, however small the scale. More important to know, at present, is that Mr. Thors is apparently friendly to us and has shown himself cooperative and understanding in every matter, even including our shootings, which I have had to take up with him so far.

I have had to interrupt the writing of this letter to go out and bid farewell to Mr. Molotov, who caught a couple of hours' sleep while his plane refueled. As he was here with us for thirty-six hours a week

ago,

ago, he and his party came this time quite as "old friends". He seems to be very happy over his visit to Washington, and asked the General and me, "What would you say if, after my return to Moscow, a communique were to be issued stating that the President and I had reached a complete understanding on the question of a second front?" He appeared, however, to think that we might be suspecting Russia of ulterior designs, for when I gave him for good luck a coin of Alexander the Great, and remarked that Alexander was a great conqueror, he came back quickly with a statement that Russia seeks no conquest but only to defend her own, and he mentioned several times that you are very "far-seeing" as being interested not only in the war but in post-war problems too.

Affectionately yours,

*Lincoln MacVeagh*

Iceland folder  
1-43

October 29, 1943.

~~CONFIDENTIAL~~  
MEMORANDUM FOR HONORABLE EUGENE CASEY -

Dear Gene:

I quote from a memorandum from General Marshall in answer to the President's inquiry concerning your memorandum with reference to the rotation of personnel in Iceland:

"The necessity for rotation of personnel in Iceland and other theaters is appreciated and, within limitations imposed by shipping and strategic commitments, we are doing everything possible in that direction.

"Practically all troops which have been in Iceland for two years or more have already been transferred, and it is planned that additional numbers will be moved in the near future. As far as possible units which have been there longest are being moved out first. To provide for future rotation, individual replacements will be moved into Iceland with as much regularity as shipping permits.

"A representative of The Inspector General's office will visit Iceland in the near future and he will be directed to devote particular attention to the relations between officers and enlisted men."

E.M.W.

DECLASSIFIED  
By Deputy Archivist of the U.S.

By W. J. Stewart Date \_\_\_\_\_

~~CONFIDENTIAL~~

WAR DEPARTMENT  
THE CHIEF OF STAFF  
WASHINGTON

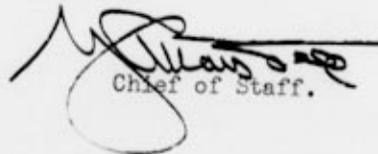
October 28, 1943.

MEMORANDUM FOR THE PRESIDENT:

The necessity for rotation of personnel in Iceland and in other theaters is appreciated, and, within the limitations imposed by shipping and strategic commitments, we are doing everything possible in that direction.

Practically all troops which have been in Iceland for two years or more have already been transferred, and it is planned that additional numbers will be moved in the near future. A majority of these troops are being moved to the United Kingdom where conditions are such that their morale should be materially improved. These movements are controlled by the European Theater of Operations in accordance with plans with which you are familiar. As far as is possible, units which have been there the longest are being moved out first. To provide for future rotation, individual replacements will be moved into Iceland with as much regularity as shipping permits.

It is contemplated that a representative of The Inspector General's office will visit Iceland in the near future and he will be directed to devote particular attention to the relations between officers and enlisted men.

  
Chief of Staff.



~~CONFIDENTIAL~~

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Date- 6-30-66

Signature- Carl L. Spurr

THE WHITE HOUSE  
WASHINGTON

October 22, 1943

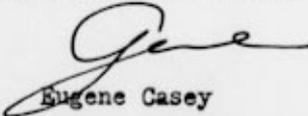
Memorandum to the President:

Several letters have been directed to my attention written by members of the Armed Forces in Iceland, in which they complain of being kept on duty there for upward of eighteen months, and in some cases over two years. In addition, a very fair-minded member of the Editorial staff of the Washington Daily News came into the office today to relate a conversation that he had with a member of the detachment in Iceland who had recently returned home to enter officers training.

All the men are complaining acutely of remaining in Iceland without relief, and point out that the conditions there are unbearable. They also state that the personal relationship between officers and men is deplorable.

Frankly, I believe that an investigation of the conditions in Iceland will prove to possess a great deal more merit than most of the gripes which constantly beset us. This memorandum is somewhat outside my realm, but I believe merits close scrutiny.

Respectfully submitted,

  
Eugene Casey

*Iceland folder  
1-43*

mb  
THE WHITE HOUSE  
WASHINGTON

~~CONFIDENTIAL~~

October 26, 1943.

MEMORANDUM FOR  
GENERAL MARSHALL

Could you get somebody to  
give me a memorandum on this?

F. D. R.

Memorandum for the President from Hon. Eugene Casey, 10/22/43, urging an investigation of conditions in Iceland. Some members of the Armed Forces have been kept there on duty for upward of eighteen months, and in some cases over two years.

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By Deputy Archivist of the U.S.  
By W. J. Stewart Date \_\_\_\_\_

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Iceland folder  
1-44

PREPARING OFFICE  
WILL INDICATE WHETHER

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*file  
Personal*

Department of State

Washington,

July 29, 1944

The President

The White House

President Bjoensson of Iceland desires to come to Washington to thank you personally for your message on Iceland's independence and for appointing an Ambassador to the ceremonies. If agreeable, he would like to come soon as he wishes to see you before going to London to call on British and Norwegian Kings.

Both Department and Joint Chiefs favor visit, especially in view of discussing bases.

Three or four days here should be sufficient. In light of other visits planned best dates would appear to be between August 24 and 29 after Aranha's departure and prior to Grau San Martin's arrival.

May I have your instructions.

*Stettinius*  
STETTINIUS

Acting

*Acting Sec. State  
starts of July 29.  
Referenced to 211201  
President Bjoensson  
U:HR:EG Pursue*

Enciphered by \_\_\_\_\_

*message sent  
8/7/44  
Rigdon*

DECLASSIFIED  
State Dept. Letter, 1-11-72

By J. Schauble Date FEB 9 1972

Sent by operator \_\_\_\_\_ M., \_\_\_\_\_, 19\_\_\_\_

*Ireland folder*  
*1-44*

DEPARTMENT OF STATE  
WASHINGTON

August 23, 1944

MEMORANDUM FOR THE PRESIDENT

*file*

Subject: Data relative to visit  
of Icelandic President.

I attach a number of memoranda concerning the personalities of the Icelandic President and Foreign Minister, our relations with Iceland, and questions which may be brought up in the course of the Icelandic President's visit.

*CH*

Attached:

5 Memoranda.

DECLASSIFIED  
State Dept. Letter, 1-11-72  
By J. Schesbly Date FEB 9 1972

Sveinn Bjornsson, first President of the Republic of Iceland, has long been regarded as the most distinguished contemporary Icelander. He was for many years the representative of Iceland in Denmark under the terms of the Danish-Icelandic Union Act and in this capacity established a high reputation as a non-partisan, objective advocate of Icelandic interests. He is a graduate of the University of Reykjavik and has studied law in Denmark. He is considered especially well versed in questions of international relations and has been frequently consulted by the Governments of Iceland in the past as a sort of elder statesman and without reference to the political complexion of the Cabinet at the time. It is understood that he formulated the terms presented to the American Government in 1941 by the then Premier, Hermann Jonasson, in connection with the American occupation. He has been at all times notably pro-United Nations. He was the unanimous choice for Regent following the German occupation of Denmark and on the dissolution by the Icelandic Parliament of the union with Denmark he was chosen first President of Iceland with equal unanimity.

While easy, natural, and witty in conversation, he is something of a stickler for etiquette, form, and protocol, perhaps because of his long residence in Denmark.

The President's wife is Danish. He has several children, one of whom is First Secretary of the Icelandic Legation in Washington. The President is in his early sixties. He speaks very good English and French and excellent Danish and German.

Vilhjalmur Thor, Icelandic Foreign Minister, is a self-made, self-educated man of about 45, who has come up from nothing through his own superior abilities. He is one of the three co-equal Directors of the Central Bank of Iceland and is also a Director of one of the principal Icelandic cooperatives. He is one of the outstanding personalities in the Progressive Party but prefers to be known as a business man rather than a politician. He was Director of the Icelandic Pavillion at the New York Worlds Fair, Icelandic Consul General at New York, and chief of the Icelandic delegation which negotiated the trade agreement with the United States signed August 27, 1943.

Mr. Thor has always been notably pro-American and was a vigorous advocate of the American occupation. While Consul General in New York in 1940, when Iceland was under British occupation, Mr. Thor approached the Department on his own responsibility to urge that the United States include Iceland in the Western Hemisphere and extend to it the protection of the Monroe Doctrine.

Mr. Thor is perhaps the most influential admirer of the United States in Iceland. He has studied American methods in business, agriculture and industry and has worked hard to have Icelandic products adapted to the American market. He is an outstanding advocate of closer commercial relations with the United States. If possible, he would like to obtain for such Icelandic specialties as frozen fish and wool, a preferential status such as we grant to Cuban sugar.

Mr. Thor's wife is Icelandic. He has several children, whom he encourages to speak English. Mr. Thor himself speaks excellent English and Swedish.

Mr. Thor is no relation to the Thors family, which includes the brothers, Thor Thors, Icelandic Minister in Washington, and Olafur Thors, who preceded Mr. Thor as Foreign Minister. The Thors brothers are in fact strong political opponents of Mr. Thor.

United States Relations with Iceland

Prior to 1939, limited attention was paid to Iceland by the United States in view of the negligible commercial exchange between the two countries, the European orientation of Icelandic economy and culture and, finally, the fact that transatlantic air transportation was not sufficiently advanced to warrant negotiation of landing rights in Iceland. In the spring of that year, however, the ominous European situation made it necessary to reappraise our attitude toward Iceland in the light of its strategic importance to the defense of the Western Hemisphere. Consideration was also given to the opening of an American Consulate at Reykjavik.

The neutrality of Denmark permitted the United States temporarily to hold these proposals in abeyance. However, the German seizure of that country in April 1940 followed by the occupation of Iceland by British forces in May of the same year required this Government to adopt a more active policy toward Iceland. A Consulate was accordingly established at Reykjavik in July 1940 (raised to a Legation in September 1941) and conversations were initiated between the officials of American and Icelandic Governments regarding the assumption by the United States of responsibility for the defense of Iceland. These culminated in an Agreement, effected July 1, 1941, in the form of an exchange of messages between the President of the United States and the Icelandic Prime Minister, for the defense of Iceland by United States forces.

In the concluding paragraphs of his message to the Icelandic Prime Minister, President Roosevelt stated:

"The steps so taken by the United States Government are taken in full recognition of the sovereignty and independence of Iceland and with the clear understanding that the American military or naval forces sent to Iceland will in no wise interfere in the slightest degree with the internal and domestic affairs of the Icelandic people; and with the further understanding that immediately upon the termination of the present international emergency, all such military and naval forces will be at once withdrawn, leaving the

people

people of Iceland and their Government in full sovereign control of their own territory."

It was also stated in this Agreement that the "United States further promise to recognize the absolute independence and sovereignty of Iceland and to exercise their best efforts with those Powers which will negotiate the peace treaty at the conclusion of the present war in order that such treaty shall likewise recognize the absolute independence and sovereignty of Iceland."

Since that time the most important event affecting the relations of Iceland and the United States has been the abrogation by the Icelandic Parliament of the Act of Union with Denmark and the establishment of the Icelandic Republic. This step was forecast in a resolution by the Parliament on May 17, 1941, declaring that "Iceland has acquired the right to abolish entirely the Act of Union with Denmark since Iceland has had to take into its own hands the conduct of all of its affairs and since Denmark is not in a position to attend to the matters on behalf of Iceland which were agreed to under the Danish-Icelandic Act of Union of 1918." Formal abolition of the Union was brought about by the passage of a Constitution Bill in March 1944, which was submitted to a plebiscite on May 20-23, 1944, in which ninety-seven percent of the votes cast were in favor of terminating the union with Denmark. The new Republic of Iceland was formally brought into being on June 17, 1944, the 133rd anniversary of the birth of Jon Sigurdsson, the Icelandic national hero. On the same day the Icelandic Regent, Sveinn Bjornsson, was elected first President of the Republic. President Roosevelt sent the new President a message of congratulation and designated the American Minister to Iceland as his special representative with the personal rank of Ambassador for the inaugural ceremonies. The ostensible purpose of President Bjornsson's present visit is to thank President Roosevelt personally for his message and for the appointment of a special Ambassador.

To compensate for the loss of foreign markets resulting from the British occupation of Iceland the British Government undertook large scale purchases in Iceland. In view of the shortage in British hands of free exchange and the desire of the Icelanders to obtain dollar currency, a desire which for political reasons we deemed it necessary to meet, the United States, on taking over the occupation of Iceland, also took over the arrangements for the 1942 and 1943 export of fish to the United Kingdom, making pay-

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ment to Iceland in dollars charged against the British lend-lease account. Expenditures on this account amounted to approximately \$62,000,000. This arrangement has now been superseded by direct British negotiation of the purchase of fish and payment in sterling.

In accordance with the commitments in the original defense agreement the United States has supplied Iceland's essential import needs and has made available a part of the necessary shipping.

It is noted that the Foreign Minister, through a trade agreement of the usual type was authorized to obtain as frequently as August 27, 1941, fishing rights in the waters around the coast of the United States and certain types of cargo vessels. The Icelanders have so far been informed that as Iceland is only a very minor supplier of these commodities, tariff concessions to Iceland should be contrary to the basic principles of our trade agreement policy.

It might be pointed out that through our practice of subsidizing Iceland newspapers and other such necessities of these products which have been granted to the principal suppliers. It is believed, however, that the Foreign Minister's aim is not merely the obtaining of tariff rates as low as those imposed on the products of any other country but that he hopes to obtain for Iceland special tariff preferences which are not granted to other countries. In this connection, it is understood that in present studies with regard to the general commercial policy of the United States, the preferential agreements to which the United States is a party are being examined with a view to the possibility of their eventual elimination. The creation of new preferential arrangements with Iceland would not therefore seem to be appropriate.

It is suggested, however, that the trade agreement which will be supplemented by a general treaty of friendship, commerce, and consular rights. Since Iceland was excluded from the treaty of Friendship and Commerce with Denmark, it might be desirable to seize this opportunity to initiate steps looking to the negotiation of a treaty of this type with Iceland.

Because of the confidential nature, the question of air rights is dealt with in a separate memorandum.

Problems which may be Raised during  
the Icelandic Visit

While the ostensible object of the Icelandic President's visit is personally to thank President Roosevelt for his independence message and appointment of an Ambassador ad hoc, it has been indicated that he, or his Foreign Minister, will take the opportunity to bring up questions of trade, aviation, etc.

With regard to trade it is known that the Foreign Minister, though a trade agreement of the usual type was concluded with Iceland as recently as August 27, 1943, wishes to obtain still further concessions, notably on such Icelandic products as frozen fish fillets and certain types of carpet wool. The Icelanders have so far been informed that as Iceland is only a very minor supplier of these commodities, tariff concessions to Iceland thereon would be contrary to the basic principles of our trade agreement policy.

It might be pointed out that through our practice of generalization Iceland nevertheless benefits from concessions on these products which have been granted to the principal suppliers. It is believed, however, that the Foreign Minister's aim is not merely the obtainment of tariff rates as low as those imposed on the products of any other country but that he hopes to obtain for Iceland specialties a preferential status like that granted to Cuba on sugar. In this connection, it is understood that in present studies with regard to the postwar commercial policy of the United States, the preferential agreements to which the United States is a party are being examined with a view to the possibility of their eventual elimination. The creation of new preferential arrangements with Iceland would not therefore seem to be opportune.

It is suggested, however, that the trade agreement might well be supplemented by a general treaty of friendship, commerce, and consular rights. Since Iceland was excluded from the treaty of friendship and commerce with Denmark, it might be desirable to take this opportunity to initiate steps looking to the negotiation of a treaty of this type with Iceland.

Because of its confidential nature, the question of air rights is dealt with in a separate memorandum.

## ICELAND

Prior to World War 1, Iceland imported all of its necessities from Europe. At the outbreak of the war in 1914, she was forced to turn to America for her supplies. This trade continued up to the year of 1919 when she again resumed trade relations with Europe.

During the years following World War 1 and up to the present war, Iceland's imports from other countries were as follows:

Great Britain . . . . .	25%
Germany . . . . .	22%
Denmark . . . . .	15%
Sweden . . . . .	11%
Italy . . . . .	7%
United States . . . . .	1.3%
Others . . . . .	18.7%

The 1.3% <sup>imports</sup> from the United States, which represent approximately \$100,000, were mostly reimported from other countries, as the Icelandic steamships had discontinued their regular trips between Iceland and the United States.

At the outbreak of present hostilities in Europe, Iceland was again forced to turn to America for her needs. Imports from the United States increased to about 58%, or approximately 22 million dollars in 1943. The following shows the sources of Iceland's imports for the year 1943.

United States . . . . .	58%
Great Britain . . . . .	27%
Canada . . . . .	8%
Others . . . . .	7%

During the years of 1935 and 1938, Iceland's imports to the United States amounted to approximately 9% of her total exports. This figure has increased to approximately 12% during the past two years. This represents mostly codliver oil and salted herring. As the above mentioned figures show imports to Iceland from the United States have increased tremendously. However, at the conclusion of this war there will be a drop in imports to Iceland, as she will again resume her normal trade relations with Europe.

There is no doubt that a certain demand has been created for American goods. However, a continuance of the regular trade with Iceland is dependent on regular steamship service between Iceland and America. There are a number of prominent men in Iceland, among them the Managing Director of the Icelandic Steamship Company, who favor the continuation of trade with the United States. He is planning to keep at least one ship in regular service between Iceland and America. In order to establish regular runs between Iceland and America, it would be necessary, from an economic point of view, that such a ship should be fully loaded each way.

The resuming of trade with Europe is purely an economical one as the Icelandic steamers can make a trip from Iceland to Europe and back in the time that it would take to make a one way trip to the United States.

Among the prominent Icelanders who favor a continuation of trade between Iceland and the United States is the Foreign Minister, Mr. Vilhjalmar Thor, who has expressed himself on this subject on many occasions. He feels that a continuance of trade with Iceland is dependent on the amount of dollars she would have available to pay for her purchases in the United States and the only way for Iceland to get dollars would be to export some of her products to the United States, such as frozen fish, codliver oil, herring and some canned goods.

~~TOP SECRET~~

## Problems of Civil and Military Aviation

### Civil Aviation

The American Minister to Iceland and the Icelandic Foreign Minister agreed by an exchange of notes in May 1942 that upon reversion of the Keflavik airfield to the Icelandic State on the termination of the war, United States nationals and aviation interests shall enjoy treatment in respect to use of the airfield no less favorable than that enjoyed by Icelandic nationals and aviation interests and shall also have unconditional and unrestricted most-favored-nation rights with regard to the nationals and interests of third countries.

Under date of June 14, 1944, the Department addressed a circular note to most of the diplomatic missions in Washington, including that of Iceland. This note transmitted a copy of a press release of the same date from the Civil Aeronautics Board, outlining the proposed international air routes which the Civil Aeronautics Board believes desirable for post-war operation by United States air carriers. Included in this list was Route III, from New York to points in Newfoundland or Labrador, Greenland and Iceland, thence to Oslo, Stockholm, Helsinki, Leningrad, Moscow, Tehran and Basra. Within the near future the Civil Aeronautics Board intends to hold hearings on the applications for this and other routes, and in this connection it is likely that the United States Government will shortly approach the Iceland Government for landing rights. At such time we hope that the Iceland Government will give favorable consideration to this request.

### Military Aviation

In view of Iceland's vital importance to Western Hemisphere defense the Joint Post War Committee has undertaken at the instance of the Joint Chiefs of Staff a study of United States military base requirements in Iceland. The report of this committee has not yet been completed but it has been informally indicated to the Department upon inquiry that the military authorities would consider that a maximum objective might be the acquirement by the United States on a long-term lease basis with exclusive rights of a naval base in the Hval Fjord area, a landplane base in the Keflavik area, and a seaplane base in the Fossvogur area. As a minimum our military authorities might be willing to

accept

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State Dept. Letter, 1-11-72  
By J. Schauble Date FEB 9 1972

accept the right to operate military aircraft and personnel at such bases on terms at least as favorable as might be granted to any other nation.

In view of the delicacy of this question and the fact that these objectives have not yet been finally passed on by the Joint Chiefs of Staff, it is recommended that the question of future air or naval bases in Iceland should not be broached to the Icelandic delegation at this time but that the initiative in this respect should be left with the Icelanders.