

● PSF

Mexico

1936-37

ASSISTANT SECRETARY OF STATE
WASHINGTON

file
Mexico

January 30, 1936.

Dear Miss LeHand:

I have hardly had the time to do more than glance over the despatch attached to Mr. Daniels' letter and perhaps the President may not have time for even that much. I can see that it is a very interesting statement of an effort which, with some exceptions, is of a truly democratic character.

When I took leave of our friend the other day I hated to think of his going back to a place which he finds disagreeable not only because of no important work to be done, but because he thoroughly dislikes that environment. I am glad to think that he will be returning to this country in the Spring. There is a rumor, as to the truth of which I know nothing, that Ambassador Long may retire.

Very truly your friend,

Roosevelt

Enclosure:
Copy of despatch
from Mexico City.

Miss Marguerite A. LeHand,
Personal Secretary to the President,
The White House.

México, January 23, 1936

PERSONAL.

Dear Judge:

You may not have had time, in view of your absorption in the neutrality legislation, to read Despatch No. 3216, which was sent to the Department last week. This Despatch, covering the first year of the administration of President Cárdenas, with illuminating sidelights, was prepared by Mr. W. W. Schott of the Embassy staff, and is a clear and correct exposition of the Mexican situation. It gives you a better understanding of conditions here than can be obtained from any other source. I am enclosing you a copy.

My wife and I count as one of the happiest experiences of our trip home the delightful evening we spent with you and your sisters in your charming old fashioned Southern home. I can well understand why no city appeal causes you to lose its flavor. My wife joins in warm regards to you and your sisters. There is some danger of us both violating the eleventh commandment, which, as you know, reads: "Thou shalt not covet thy neighbor's Southern home and happy surroundings".

En route to Mexico I spent the day at Austin with Albert Burleson. Though retired from active life, he keeps up with everything that goes on in Washington, and his memory of all that transpired in the Wilson administration is as fresh as if it had occurred only yesterday. As I am not writing on asbestos, I cannot give you the language he used in describing Senator Nye's attempt to fix a falsehood on President Wilson. The next time I see you I will give you his views on his fellow-Texan, Colonel House.

With warm regards,

Faithfully yours,

Josephus Daniels

Honorable R. Walton Moore,
Assistant Secretary of State,
Washington, D.C.

COPY OF DESPATCH NO. 3216, DATED JANUARY 17, 1936,
REVIEWING THE FIRST YEAR OF THE ADMINISTRATION OF
PRESIDENT CARDENAS, PREPARED BY W. W. SCHOTT OF THE
EMBASSY STAFF.

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I have the honor to set forth herein an appraisal of President Cárdenas' position as the present dominating personality in the Mexican political scene, achieved a little more than a year after his inauguration and upon his definite break with General Calles.

The outstanding feature of his success is the ability which he has displayed to fit himself into the historical, political, social, and economic pattern of the Revolution as a leader in its present state of development, escaping the political errors which have sent originally greater and more distinguished leaders into eclipse.

In the first place, Cárdenas is one of the few leaders of humble Indian origin who has remained a child of the village and not been absorbed by the city, as have been so many of the political leaders of the past. He is not a wealthy man, nor has he used his office for personal interest or self-aggrandizement, and his Government has acquired the reputation of being more honest than were preceding ones.

Knowing that the Indian, the most pertinacious, genuine Revolutionary, is also the most important element of the nation, the common ingredient which rose inexplicably in rebellion against privilege and economic and class divisions, he has, since his extensive Presidential campaign tour, continued to visit parts of the country for the purpose of investigating the conditions of the people,
their

their needs, and the practical operation of his Government's program in their behalf. This democratic mingling with the indigenous country people and his keen personal interest in their problems has brought him an immense popularity. Also, realizing that the Revolution really was fought between the city and the country - the feudal society and the Indian - in which the city always stood with the loser, and that the economic elevation of the village means peace, the President has not subordinated the needs of the rural districts to those of the city, as was manifested in his budget message, which stipulated extensive appropriations for various sections of the country, and in his Annual Message to Congress, which provided for an autonomous Department of Indigenous Affairs. He has labored consistently for internal harmony and unity, the crying need of the country; he fosters the growing class consciousness of the people, making for a feeling of common race and nationality; and he has worked incessantly to meet the elementary Revolutionary demands for land, water, schools, and freedom. In brief, he envisages the wants of the people, giving direction without the necessity of pressure exerted from below.

Although the Six-Year Plan was prepared and in operation prior to the President's assumption of office, he has followed it strictly, expanding its terms as far as possible (capital says he has gone too far) to meet the demands of the people for social improvement. He has accepted it as a regulation for the application of the Constitution, to which he adheres rigidly (disregard thereof, in the past, having been the most fruitful cause of revolution), but he has insisted upon the centralization of administration. Apparently

ently this attitude was adopted because Cárdenas feels that the country is not yet prepared for political democracy and that his program of social reconstruction best can be carried out by centralized control in the hands of those chosen by himself as true representatives of the people. (See despatch No. 2291 of March 1, 1935 - "Political and Economic Development of the Six-Year Plan").

In his agrarian program, President Cárdenas has but followed the path leading to the goal for which the Revolution was fought - the distribution of land. Disregard of Zapata's famous warning that the agrarians would not lay down their arms until they had recovered their lands, was one of the greatest contributory factors to the failure of all Revolutionary leaders to Obregón, who heeded it. Since then, the country has gained a wider sense of the political and social necessity for land division, and opposition to it has died down (even EXCELSIOR, which carried on a long campaign against it, has discontinued its general attacks).

The Government insists that land, wherever in demand, be parceled out in a legal manner, without obstacles and delays, not incidentally or in conformity with local prejudice or opinion, though in certain conservative parts of the country, where contentment prevails, it has not intervened; and in other parts, legality has been disregarded. Its attitude is best expressed by the remarks of the two Cabinet officers now most intimately identified with the problem - Portes Gil and Cedillo. The former said that the agrarian movement would continue until every Mexican peon who needed land had his need satisfied; the latter (when previously Minister of Agriculture for a brief time during the Presidency of Ortíz Rábío) gave his opinion of the result of such a policy, saying:

ing: "If ever the large plantation becomes a matter of the past and rural properties are equitably divided, our agriculture will probably within ten years not merely satisfy our own needs, but will make possible exportation abroad."

In other words, the Government is of the belief that the distribution of lands will make for the economic and social emancipation of the country, and to this end the President has followed a logical program of rural reconstruction by speeding up the distribution of lands; providing rural schools, farm implements, financial credit through the recently created National Bank of Ejidal Credit, public health facilities, irrigation, potable water; and increasing the farming population through repatriation, immigration, and internal emigration.

Farm labor has been definitely freed from peonage, its organization into one great national agrarian body is expected to be completed during the present year, the "White Guards" will be entirely disbanded, and the agrarians are being armed and organized into a form of militia for their own protection (and incidentally for the additional support of the Government).

The labor movement in Mexico today cannot be understood without a brief review of its history. In 1910, the Mexican masses were unconscious of capitalism and no labor philosophy had been developed, although there were manifestations of a labor movement as part of the fermenting social revolution before the day of Madero. During the administration of the latter (but without his sympathy), a Casa del Obrero Mundial was opened as a propaganda center in Mexico City, where it engineered the first strikes. Cerranza, however, hard pressed in his conflict with Villa
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and Zapata (who opposed the trade-union movement) drew support from labor elements, attracted by his 1914 Bill of Reform - later incorporated in the Law of January 6, 1915 - (although labor as a whole was divided in its allegiance) which formed "Red Battalions" for fighting in the field. In return, Carranza permitted them to organize behind the lines, and in February, 1915, an agreement was reached between his Constitutionalist Party and the I.W.W., by virtue of which the former undertook to assist the cause of the workers.

Although the labor movement as progressing was not consistent with his policy, and he continued to oppose it, Carranza was obliged to bow to the will of the radical group at the Querétaro Convention and accept its labor code as Article 123 of the Constitution of 1917. Nevertheless, the largest labor organization, the C.R.O.M. (founded in 1916), took the opportunity to avenge itself upon Carranza by joining Obregón in the movement which deposed the former, and so came to its first real success and to political power. The C.R.O.M., controlling the National Labor Party, became the political instrument of Obregón and of Calles. With the support of the Federal Administration, it intervened in national and municipal political affairs, and actually controlled the Administrative and Judicial agencies of the Government. Its leader, Morones, became Calles' Minister of Industry, Commerce, and Labor.

The C.R.O.M., however, whose members mostly were Government employees, was opposed by a majority of other labor elements. This opposition and jealousy precluded the adherence to it of other labor organizations. Furthermore, the C.R.O.M. was split in its attitude towards Obregón's

second election to the Presidency - at which time, also, the first serious division between the labor and the agrarian movements was manifested.

As Provisional President, Portes Gil sought to destroy the political power of the C.R.O.M. by placing in opposition to it the Confederación General de Trabajadores (an international labor body with anarchist tendencies) and other Communist organizations. He succeeded in weakening it greatly.

The succeeding Government of Ortíz Rúbio, one of no strong labor influence, approached the labor problem in a new manner by passing the Labor Code, which regulated Article 123 of the Constitution, and made labor procedure uniform, set limits upon the exploitation of labor, afforded it fuller protection, and initiated a trend towards compulsory trade unionism.

From the above, the history of the labor movement in Mexico is seen to be one of alliance with the Government which fostered it, and whose main policy towards it has been that of support, without which it could not have progressed. Succeeding Revolutionary Governments, the desired labor philosophy and a definite program having been written into the Constitution, continued to encourage labor union with the knowledge that such organization tends to assure the continuance of those in power. In return, labor in the main has been loyal and firm in sustaining the Government.

Where his predecessor in office had assumed but a strictly legal attitude towards the labor movement, President Cárdenas whole-heartedly espoused the cause of labor, supporting it generally in its conflicts with capital, and thus popularizing himself to it enormously (at the expense
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of capital and at the cost of much unrest). His idea is to organize one large labor union under Government control, so to end inter-union disputes and to create a unified element for its own protection - and for his political support. Federal labor inspectors, many of whom proved to be agitators, were sent through the country to investigate and defend the interests of labor, to popularize the movement, and to encourage the formation of unions within the P.N.R. Success has not yet been achieved, but the response of labor to the President in his recent attitude towards the return of General Calles was manifest.

The present Administration is accused of a tendency towards the forcing out of foreign enterprises and towards Communism. In this connection, it must be remembered that the Revolution intensified the struggle of the Reform against the feudal system, against privilege. The foreign economic invasion during Díaz' time, with Government support and with personal gain to politicians, gave to foreigners, who organized and controlled commerce and industry, a hold over Mexican politics which was strengthened by diplomatic support. With no existing middle class which might have served as a buffer between the Indian masses and the privileged classes (the hacendados linked with the politicians and the foreign industrialists), the fight for economic freedom was drawn between Mexican labor and foreign capital, as the most rational way of fighting the agrarian revolution. Also, with industry based on concessions and prerogatives, the consumer found himself paying higher prices than existed in independent countries, and he gained nothing from such enterprise save wages, the scale of which did not raise his standard of living. As the country prospered, the Indian
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became impoverished. Ignorance, poverty, hunger, exploitation, were his lot, and the principle that Mexico must become a white man's country seemed probable of realization - until the Indian rebelled, with a success that has brought him finally into Mexican political life, and made him master of his own destiny.

With this in mind, the Revolution is seen to have been given a definite goal by defending labor against foreign exploitation. Through the labor movement, which could not have advanced of its own, it was able to set a limit to the foreign control of Mexican politics and economics. Article 123 of the Constitution was written to curtail the exploitative use of foreign capital and to reduce the position of influence and prerogatives of foreigners to that of equality with Mexicans, against whom they previously had been protected.

President Cárdenas has expressed his desire for the continued investment of foreign capital in Mexico, thus indicating no intention of excluding foreign enterprises - but he does demand that Mexicans share in them. In the cases of labor conflicts in foreign and Mexican industries, he has shown more than a moderate interest in behalf of the workmen in his interpretation of the Constitution (Fraction VI of Article 123 of which reads: "In all agricultural, commercial, manufacturing, or mining enterprises the workmen shall have the right to participate in the profits").

Also, since the President has said that "I am disposed not to permit one single machine or installation to remain idle in the country, as all the workers must have an opportunity to make a livelihood," the fear is expressed that, wages having been raised through strike and Government-approved arbitration thereof to a point where operations

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are unprofitable, he might act legally (the only stipulation in the Constitution - Fraction XIX, Article 123 - being that "Lockouts shall be lawful only when the excess of production shall render it necessary to shut down in order to maintain prices reasonably above the cost of production, subject to the approval of the Board of Conciliation and Arbitration") to carry out the threat made in EL NACIONAL for the procedure in such cases, "to value the machinery and to turn it over to the workers, to be paid to its owners in reasonable terms" (which, from experience, would not afford the owner an appreciable return).

It is considered that the President has gone this far in support of labor in order to win it to the cause, considered essential by him, of forming one great union under Federal control. He has jockeyed himself into a difficult position, one causing great apprehension in industrial as well as in conservative labor circles, and only time will indicate his ability to complete his program before the country has suffered economic loss or social disturbance.

Mexico has been accused of having Communistic tendencies since the socialistic reforms were written into the Constitution of 1917. While limitation of the recognition of private property, and the right of labor to organize and to intervene in production were cited as most illustrative of this tendency, a drift towards nationalism, in the Indian's peculiar way, in an effort to develop a purely Mexican culture, was seen to give expression to Soviet ideas. However, the agrarian program, creating small land-owners with the hope that they may increase their holdings (at the expense of the plantations, to be sure) to more than mere subsistence units, is best proof that the country is not heading for Communism, in the accepted sense

of the word, any more than did France, under similar circumstances.

Certainly, the President has encouraged labor to the point of its making excessive and unreasonable demands, but he apparently has rejected proposals advanced by labor organizations for the establishment of a sole union in Mexico, based on a determination that labor be an individual factor in the development of the economic life of the country - i.e., not subordinate to, and controlled by the Government.

In addition, lack of capital, abundant resources, experience, and skilled labor, which already make large sections of established Mexican industry dependent upon tariff measures, mitigate against the absorption of such enterprise by the Mexican proletariat with any immediate degree of financial success. As a recent case in point, the local foreign-owned paper company, enjoying a monopoly, was found to produce paper of such inferior quality that, to satisfy consumers, the Government was obliged to form a paper importing company on its own account, to supply the demand for paper without reducing the tariff on this commodity.

While a Communist Party exists in Mexico, whose members have become increasingly active, and certain elements in the Government are reported to be frankly of this political shading, the Administration cannot be said to have given them sympathy or support. In accordance with his principle to give all political factions free rein of expression, the President has not suppressed their activities, but Portes Gil recently published a statement that the P.N.R. has no Communistic tendencies. Large sections of labor openly have disavowed Communism, and there is no present indication that the country is advancing towards a change in Gov-

Government of this character.

As regards the religious and the educational problems, which the President claims as inheritances, he has followed a strict interpretation of the laws and of the Six-Year Plan regarding them. Not deviating from the previously-conceived Government position in the Church-State conflict, he has shown a moderation in his attitude towards the Church which has made for an amelioration of the religious situation.

Denying religious persecution, Cárdenas has stated his objective in the problem as being one completely to separate Church and State, and to eliminate Church activity in educational matters. A new law of the nationalization of property has simplified and clarified, while maintaining the restrictions against the ownership of property in mortmain.

With the Revolutionary demands for land and social justice well under way to be met, and the social awakening of the people having become effected thereby, education became the most significant movement of the Revolution, the one of broadest effort. Obregón, in 1921, seeing the necessity for bringing the masses into the cultural activities of the Government, thereby to unify them, established a Department of Education. From the start, the educational program was designed to cultivate and develop existing values, and to coördinate them with present realities, linking the past with the present (of which the Indian knew comparatively nothing) in a decidedly realistic manner. The school functions for the community rather than for the individual, as an agency for unifying the people and inducting them into an improved state of present existence, by combining book-learning with practical instruction, that is, education is intended to make for the general economic bet-
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terment of the masses. The problem, as one Mexican writer (Alfonso Teja Zabre) saw it, was, "rather than to incorporate the Indian into civilization, to incorporate civilization into the Indian." In such a system, it is not difficult to understand that the Government was obliged to assume complete control over education, repudiating clericalism which, it felt, had not imparted education generally, efficiently, nor rationally.

The program of secular education recently has been changed for one of socialistic education. As thus far promulgated, the latter teaches the theories that civilization and culture are the result of the work of man; that labor is the fundamental cause and the measure of value of useful things; that the social structure is reared on the organization of labor; that the main factor in history is class war; that social classes arise out of positions in the economic structure; that class struggle is directed against the exploitation of man by man; and that direct action in this struggle is aimed at wealth withdrawn from circulation.

Initially, the Government financially was unable to prosecute its educational program with great vigor. The teachers, relatively few, poor, and illy-equipped, received insufficient support, and their difficulties, increased by Catholic opposition to the public school, were enormous. The Government itself, with little experience in the educational field, was slow in developing a program and in producing curricula and text-books. As the financial situation improved, however, increased percentages of the budget were earmarked for public education - from 15% in 1934, to 20% in 1939 - and it was planned to erect six thousand additional

tional rural schools during this period (rural education being of primary consideration).

President Cárdenas has been assiduous in carrying out this plan. He has created a National Council of Higher Education and Scientific Research, planned a National Polytechnic School (to be opened in Mexico City during the first quarter of 1936), provided for the free impartation of secondary education, produced one and a half million textbooks to be sold at seven centavos each, and formulated a plan for the federalization of public education by coordinating the work of the State Boards of Education with that of the Ministry of Public Education. He has promised the rural teachers increased salaries, personal protection, and the provision of firearms for their defense against opponents of the public school. In his New Year Message to Congress he promised, inter alia, the establishment during 1936 of two thousand rural schools, fifty kindergartens, and five Indian boarding-schools; the foundation of twelve hundred libraries; and the creation of a Technical Council for Agricultural Instruction.

Until the advent to power of Obregón and Calles, Mexican politics had been an internal struggle for the consolidation of power, supported by diverse Revolutionary tendencies and instigated by ambitious military and political leaders. Revolution was considered natural and inevitable. The organization of the P.N.R. made for Party organization and discipline, limited the scope of individualism, and emphasized institutional Government. However, the latter had not come to be unified.

Cárdenas' first Cabinet, in the main, was inflicted upon him by the P.N.R. leaders. After his disagreement
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with Calles, in June, he rearranged this body more to his own taste, ousting one of the last remaining militant groups - that of Garrido Canabal. The present Cabinet consistently has been considered as divided, the differences primarily being in the persons of Fortes Gil, Múgica, and Cedillo. However, the President, in selecting them, can be seen to have recognized his own limitations and lack of experience in statecraft and government, and somewhat to have sacrificed unity for a consolidation of the political and social institutions. Fortes Gil has had long experience in government; as President, he prosecuted the agrarian program with intensity; he broke the political power of labor by opposing the conservative, formerly officially-supported groups, with radical groups; and he has been the Government's bulwark of support in the Church-State conflict. To Múgica (Cárdenas' campaign leader) is attributed the greatest responsibility for the writing of the agrarian and the labor codes into the Constitution of 1917 (which fact he has not used to his own advantage). Cedillo, together with his two brothers, is notorious for his incessant fight in San Luis Potosí, for land, social and cultural equality, and rights of the Indian. Such were the elements chosen by the President to aid him in retaining the support of the peasant and labor masses - the vital asset for maintaining power.

Most recently, he has included in his Cabinet, as Minister of Foreign Affairs, Eduardo Hay, an old Revolutionary, with a reputation for suavity and composure, and with long diplomatic experience, who proved himself most conciliatory in the heated days during the framing of the Constitution,

stitution,, but who has never held elective office.

To offset the old principle of agreement by force, Cárdenas appears to attempt to form a common opinion and judgment by pursuing a very liberal political course. Whereas most of the great Revolutionary figures have passed from the stage through violence or exile, he has permitted and encouraged their return, so healing an old wound and bringing back energetic figures to national utility. He has been criticised, however, for permitting too free expression of radical opinion, much of which is found seditious. On the other hand, within the P.N.R. and its members in office, Federal or State, he has demanded discipline and loyalty and a centralized control. In accordance with this idea, he has not hesitated to oust and replace various Governors (although in some States, notably Querétaro, he has not succeeded in wresting complete political control). Both Houses of the Congress have formed majority "Left Wing" groups which stand solidly behind him.

The feeling that the Government could feel secure in the support of the common people, as opposed to military support, was born only in the day of Obregón. The army which emerged from the Revolution was not a national army, but a series of individualistic forces, fed, armed and controlled by the several Generals. Having campaigned without base, without commissary, without giving or asking quarter, these troops had no real military discipline. They were avid to take the field at the slightest pretext, upon the least promising offer of excitement and gain. The purification of the military arm and the indoctrination of a national patriotic spirit to supplant the tradition of personal loyalty, was a long, slow process. Finally, during the

Presidency

Presidency of General Calles, and by the direct efforts of General Joaquín Amaro, the army was transformed into a disciplined machine. While the Escobar and the Gómez-Serrano revolutions indicated that the Government still could not count upon the Army as a unit, the troops involved in these defections were in a minority.

At the time of his inauguration, President Cárdenas was said to have lost a great deal of his popularity with the Army. One of the first incidents of his Administration was a personal quarrel with General Amaro over the granting of diplomas to certain graduate student officers. Also, the Army has no Communistic sentiment and it resents the freedom permitted Soviet activities in the country (which accounts for the fact that the Government is loath to use it for quelling disturbances involving Communists). Finally, it has resented greatly the arming of the peasants.

On the other hand, the President has stressed the fact that the armed forces are drawn from the workers and peasants (somewhat the flower thereof, in fact, since all soldiers must be literate) and that they must be loyal to the Government which protects, and is supported by these elements. He has shown great interest in the welfare of the Army and in improving its conditions, cultural and physical. Schools for Army children have been created, improved housing facilities provided, pensions increased and extended, and military medals more generously awarded. Most recently, he has granted an allowance of two uniforms to each officer on active service.

With the above review of the development of the Revolution and the manner in which President Cárdenas has fitted himself into the pattern thus delineated for him, it is easier to comprehend how he was able to break finally with

General Calles, the greatest outstanding single living figure of the Revolution, and to eject him from the Party which he himself had created. There is no precedent for this action in Mexican history, nor for that of the return of a dictator once he had quitted the country. Even Cárdenas' refusal to inflict punishment on Calles has put many in a quandary.

To be sure, Calles, had he entertained any idea of returning to power, made a strategic blunder in leaving the country last June, declaring his positive retirement, after but a feint of testing strength with Cárdenas over the labor problem. This action and the subsequent intimate contact which he maintained with his followers in Mexico, gave warning to the Government, which did not hesitate to permit the growing of public opinion adverse to Calles. The press carried on a veritable campaign of exposing the "crimes" of the Callist régime; he and his followers were depicted as traitors to the Revolution, who had grown wealthy at the expense of the proletariat; and the deciding blow was given by the circulation of a rumor that he was planning a coup-d'état in Mexico with the backing of powerful American interests, if not of the Government, itself. Previously, Calles' luke-warm attitude towards the agrarian program (after a trip to France, in 1929, he expressed doubts as to the economic soundness of the division of lands in small holdings) and his lack of sympathy with the aspirations of labor were known generally. Also, his returning with Morones was a tactical error. The latter, whose great early work in behalf of labor at one time gave him a position parallel to that of Zapata, sacrificed his exalted position to political ends and personal fortune. He was ejected from his personally-organized C.R.C.M., in 1933, and his
early

early affiliations with the American Federation of Labor placed him under the suspicion of enjoying American influence.

As the Department is aware, Calles' return met with energetic action by the President, including the removal of Governors and Generals, the unseating of Senators and Deputies, and the ejection of Calles and a number of his followers from the P.N.R. The peasants and labor rose in protest against Calles' presence in the country (much of which, however, was staged by the Government) but there were no indications anywhere in the country of sympathy or support for Calles. Despite the removal of General Amaro from his high position of Chief of Military Education, the Army, in which he enjoys a tremendous popularity, remained loyal. An end of the incident would appear to have been made there, for Calles appears, more and more, to be receding from the scene.

In conclusion, it would seem that President Cárdenas has succeeded in maintaining his authority because of his integrity and because he has sought honestly to solve the economic and social problems of the country, within the framework of the Revolutionary program, in a sincere effort to meet the urgent needs of the people. He has confronted an emergency with decision and a demonstrated sense of security. If the emergency were not real, he nevertheless had the sagacity to make political capital of it, for beyond the feeling of the masses that he has protected them against possible reaction, his action against Calles, who supposedly was armed with foreign support, has given also the idea that the President has defended national honor and integrity against foreign pressure, and so assured the
country's

country's international existence.

From this point, the President, who has steadfastly assumed full responsibility for the conduct of his Administration, obviously intends to dominate the Mexican stage. He has full power in his hands to cope with the political situation as it arises, and he has challenged all elements to organize political parties in opposition. His attitude in the capital-labor conflict is the one element which causes most apprehension but, unless he reverses his expressed determination not to follow Communistic tendencies, this should not lead to social upheaval. As has been pointed out, the agrarian program is not Communistic and the Army is opposed to this political doctrine. With the former organized into an armed militia, the President has two forces, both thus far proved to be loyal, to support him against labor, should the latter become militantly radical and attempt to overthrow the Government.

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File Personal
File Mexico

México, January 21, 1936.

PERSONAL.

Dear Mr. President:

Knowing of your deep interest in all that pertains to Mexico, particularly to the tense days following the break between Cárdenas and Calles, and the religious and educational situation, I am enclosing a copy of despatch No. 3216 sent to the State Department. It was prepared by Mr. W. W. Schott of the Embassy staff and is the clearest and best exposition of the past year that could be compressed into one despatch. You will be interested to know that Mr. Schott, now in the diplomatic corps, was a graduate of the Naval Academy in the days of our connection with the Navy.

With my affectionate regards,

Faithfully yours,

Josephus Daniels

The President,

The White House.

Enclosure.

COPY OF DESPATCH NO. 3216, DATED JANUARY 17, 1936,
REVIEWING THE FIRST YEAR OF THE ADMINISTRATION OF
PRESIDENT CÁRDENAS, PREPARED BY W. W. SCHOTT OF THE
EMBASSY STAFF.

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I have the honor to set forth herein an appraisal of President Cárdenas' position as the present dominating personality in the Mexican political scene, achieved a little more than a year after his inauguration and upon his definite break with General Calles.

The outstanding feature of his success is the ability which he has displayed to fit himself into the historical, political, social, and economic pattern of the Revolution as a leader in its present state of development, escaping the political errors which have sent originally greater and more distinguished leaders into eclipse.

In the first place, Cárdenas is one of the few leaders of humble Indian origin who has remained a child of the village and not been absorbed by the city, as have been so many of the political leaders of the past. He is not a wealthy man, nor has he used his office for personal interest or self-aggrandizement, and his Government has acquired the reputation of being more honest than were preceding ones.

Knowing that the Indian, the most pertinacious, genuine Revolutionary, is also the most important element of the nation, the common ingredient which rose inexplicably in rebellion against privilege and economic and class divisions, he has, since his extensive Presidential campaign tour, continued to visit parts of the country for the purpose of investigating the conditions of the people,

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their needs, and the practical operation of his Government's program in their behalf. This democratic mingling with the indigenous country people and his keen personal interest in their problems has brought him an immense popularity. Also, realizing that the Revolution really was fought between the city and the country - the feudal society and the Indian - in which the city always stood with the loser, and that the economic elevation of the village means peace, the President has not subordinated the needs of the rural districts to those of the city, as was manifested in his budget message, which stipulated extensive appropriations for various sections of the country, and in his Annual Message to Congress, which provided for an autonomous Department of Indigenous Affairs. He has labored consistently for internal harmony and unity, the crying need of the country; he fosters the growing class consciousness of the people, making for a feeling of common race and nationality; and he has worked incessantly to meet the elementary Revolutionary demands for land, water, schools, and freedom. In brief, he envisages the wants of the people, giving direction without the necessity of pressure exerted from below.

Although the Six-Year Plan was prepared and in operation prior to the President's assumption of office, he has followed it strictly, expanding its terms as far as possible (capital says he has gone too far) to meet the demands of the people for social improvement. He has accepted it as a regulation for the application of the Constitution, to which he adheres rigidly (disregard thereof, in the past, having been the most fruitful cause of revolution), but he has insisted upon the centralization of administration. Apparently

ently this attitude was adopted because Cárdenas feels that the country is not yet prepared for political democracy and that his program of social reconstruction best can be carried out by centralized control in the hands of those chosen by himself as true representatives of the people. (See despatch No. 2291 of March 1, 1935 - "Political and Economic Development of the Six-Year Plan").

In his agrarian program, President Cárdenas has but followed the path leading to the goal for which the Revolution was fought - the distribution of land. Disregard of Zapata's famous warning that the agrarians would not lay down their arms until they had recovered their lands, was one of the greatest contributory factors to the failure of all Revolutionary leaders to Obregón, who heeded it. Since then, the country has gained a wider sense of the political and social necessity for land division, and opposition to it has died down (even EXCELSIOR, which carried on a long campaign against it, has discontinued its general attacks).

The Government insists that land, wherever in demand, be parceled out in a legal manner, without obstacles and delays, not incidentally or in conformity with local prejudice or opinion, though in certain conservative parts of the country, where contentment prevails, it has not intervened; and in other parts, legality has been disregarded. Its attitude is best expressed by the remarks of the two Cabinet officers now most intimately identified with the problem - Portes Gil and Cedillo. The former said that the agrarian movement would continue until every Mexican peon who needed land had his need satisfied; the latter (when previously Minister of Agriculture for a brief time during the Presidency of Ortíz Rúbio) gave his opinion of the result of such a policy, saying:

ing: "If ever the large plantation becomes a matter of the past and rural properties are equitably divided, our agriculture will probably within ten years not merely satisfy our own needs, but will make possible exportation abroad." In other words, the Government is of the belief that the distribution of lands will make for the economic and social emancipation of the country, and to this end the President has followed a logical program of rural reconstruction by speeding up the distribution of lands; providing rural schools, farm implements, financial credit through the recently created National Bank of Ejidal Credit, public health facilities, irrigation, potable water; and increasing the farming population through repatriation, immigration, and internal emigration. Farm labor has been definitely freed from peonage, its organization into one great national agrarian body is expected to be completed during the present year, the "White Guards" will be entirely disbanded, and the agrarians are being armed and organized into a form of militia for their own protection (and incidentally for the additional support of the Government). The labor movement in Mexico today cannot be understood without a brief review of its history. In 1910, the Mexican masses were unconscious of capitalism and no labor philosophy had been developed, although there were manifestations of a labor movement as part of the fermenting social revolution before the day of Madero. During the administration of the latter (but without his sympathy), a Casa del Obrero Mundial was opened as a propaganda center in Mexico City, where it engineered the first strikes. Carranza, however, hard pressed in his conflict with Villa the C.R.O.M. was split in its attitude towards Obregón's

and Zapata (who opposed the trade-union movement) drew support from labor elements, attracted by his 1914 Bill of Reform - later incorporated in the Law of January 6, 1915 - (although labor as a whole was divided in its allegiance) which formed "Red Battalions" for fighting in the field. In return, Carranza permitted them to organize behind the lines, and in February, 1915, an agreement was reached between his Constitutionalist Party and the I.W.W., by virtue of which the former undertook to assist the cause of the workers.

Although the labor movement as progressing was not consistent with his policy, and he continued to oppose it, Carranza was obliged to bow to the will of the radical group at the Querétaro Convention and accept its labor code as Article 123 of the Constitution of 1917. Nevertheless, the largest labor organization, the C.R.O.M. (founded in 1918), took the opportunity to avenge itself upon Carranza by joining Obregón in the movement which deposed the former, and so came to its first real success and to political power. The C.R.O.M., controlling the National Labor Party, became the political instrument of Obregón and of Calles. With the support of the Federal Administration, it intervened in national and municipal political affairs, and actually controlled the Administrative and Judicial agencies of the Government. Its leader, Morones, became Calles' Minister of Industry, Commerce, and Labor.

The C.R.O.M., however, whose members mostly were Government employees, was opposed by a majority of other labor elements. This opposition and jealousy precluded the adherence to it of other labor organizations. Furthermore, the C.R.O.M. was split in its attitude towards Obregón's

second election to the Presidency - at which time, also, the first serious division between the labor and the agrarian movements was manifested.

As Provisional President, Portes Gil sought to destroy the political power of the C.R.O.M. by placing in opposition to it the Confederación General de Trabajadores (an international labor body with anarchist tendencies) and other Communist organizations. He succeeded in weakening it greatly.

The succeeding Government of Ortíz Rúbio, one of no strong labor influence, approached the labor problem in a new manner by passing the Labor Code, which regulated Article 123 of the Constitution, and made labor procedure uniform, set limits upon the exploitation of labor, afforded it fuller protection, and initiated a trend towards compulsory trade unionism.

From the above, the history of the labor movement in Mexico is seen to be one of alliance with the Government which fostered it, and whose main policy towards it has been that of support, without which it could not have progressed. Succeeding Revolutionary Governments, the desired labor philosophy and a definite program having been written into the Constitution, continued to encourage labor union with the knowledge that such organization tends to assure the continuance of those in power. In return, labor in the main has been loyal and firm in sustaining the Government.

Where his predecessor in office had assumed but a strictly legal attitude towards the labor movement, President Cárdenas whole-heartedly espoused the cause of labor, supporting it generally in its conflicts with capital, and thus popularizing himself to it enormously (at the expense
of

of capital and at the cost of much unrest). His idea is to organize one large labor union under Government control, so to end inter-union disputes and to create a unified element for its own protection - and for his political support. Federal labor inspectors, many of whom proved to be agitators, were sent through the country to investigate and defend the interests of labor, to popularize the movement, and to encourage the formation of unions within the P.N.R. Success has not yet been achieved, but the response of labor to the President in his recent attitude towards the return of General Calles was manifest.

The present Administration is accused of a tendency towards the forcing out of foreign enterprises and towards Communism. In this connection, it must be remembered that the Revolution intensified the struggle of the Reform against the feudal system, against privilege. The foreign economic invasion during Díaz' time, with Government support and with personal gain to politicians, gave to foreigners, who organized and controlled commerce and industry, a hold over Mexican politics which was strengthened by diplomatic support. With no existing middle class which might have served as a buffer between the Indian masses and the privileged classes (the hacendados linked with the politicians and the foreign industrialists), the fight for economic freedom was drawn between Mexican labor and foreign capital, as the most rational way of fighting the agrarian revolution. Also, with industry based on concessions and prerogatives, the consumer found himself paying higher prices than existed in independent countries, and he gained nothing from such enterprise save wages, the scale of which did not raise his standard of living. As the country prospered, the Indian
became

became impoverished. Ignorance, poverty, hunger, exploitation, were his lot, and the principle that Mexico must become a white man's country seemed probable of realization - until the Indian rebelled, with a success that has brought him finally into Mexican political life, and made him master of his own destiny.

With this in mind, the Revolution is seen to have been given a definite goal by defending labor against foreign exploitation. Through the labor movement, which could not have advanced of its own, it was able to set a limit to the foreign control of Mexican politics and economics. Article 123 of the Constitution was written to curtail the exploitative use of foreign capital and to reduce the position of influence and prerogatives of foreigners to that of equality with Mexicans, against whom they previously had been protected.

President Cárdenas has expressed his desire for the continued investment of foreign capital in Mexico, thus indicating no intention of excluding foreign enterprises - but he does demand that Mexicans share in them. In the cases of labor conflicts in foreign and Mexican industries, he has shown more than a moderate interest in behalf of the workmen in his interpretation of the Constitution (Fraction VI of Article 123 of which reads: "In all agricultural, commercial, manufacturing, or mining enterprises the workmen shall have the right to participate in the profits").

Also, since the President has said that "I am disposed not to permit one single machine or installation to remain idle in the country, as all the workers must have an opportunity to make a livelihood," the fear is expressed that, wages having been raised through strike and Government-approved arbitration thereof to a point where operations

are unprofitable, he might act legally (the only stipulation in the Constitution - Fraction XIX, Article 123 - being that "Lockouts shall be lawful only when the excess of production shall render it necessary to shut down in order to maintain prices reasonably above the cost of production, subject to the approval of the Board of Conciliation and Arbitration") to carry out the threat made in EL NACIONAL for the procedure in such cases, "to value the machinery and to turn it over to the workers, to be paid to its owners in reasonable terms" (which, from experience, would not afford the owner an appreciable return).

It is considered that the President has gone this far in support of labor in order to win it to the cause, considered essential by him, of forming one great union under Federal control. He has jockeyed himself into a difficult position, one causing great apprehension in industrial as well as in conservative labor circles, and only time will indicate his ability to complete his program before the country has suffered economic loss or social disturbance.

Mexico has been accused of having Communistic tendencies since the socialistic reforms were written into the Constitution of 1917. While limitation of the recognition of private property, and the right of labor to organize and to intervene in production were cited as most illustrative of this tendency, a drift towards nationalism, in the Indian's peculiar way, in an effort to develop a purely Mexican culture, was seen to give expression to Soviet ideas. However, the agrarian program, creating small land-owners with the hope that they may increase their holdings (at the expense of the plantations, to be sure) to more than mere subsistence units, is best proof that the country is not heading for Communism, in the accepted sense

of the word, any more than did France, under similar circumstances.

Certainly, the President has encouraged labor to the point of its making excessive and unreasonable demands, but he apparently has rejected proposals advanced by labor organizations for the establishment of a sole union in Mexico, based on a determination that labor be an individual factor in the development of the economic life of the country - i.e., not subordinate to, and controlled by the Government.

In addition, lack of capital, abundant resources, experience, and skilled labor, which already make large sections of established Mexican industry dependent upon tariff measures, mitigate against the absorption of such enterprise by the Mexican proletariat with any immediate degree of financial success. As a recent case in point, the local foreign-owned paper company, enjoying a monopoly, was found to produce paper of such inferior quality that, to satisfy consumers, the Government was obliged to form a paper importing company on its own account, to supply the demand for paper without reducing the tariff on this commodity.

While a Communist Party exists in Mexico, whose members have become increasingly active, and certain elements in the Government are reported to be frankly of this political shading, the Administration cannot be said to have given them sympathy or support. In accordance with his principle to give all political factions free rein of expression, the President has not suppressed their activities, but Portes Gil recently published a statement that the P.N.R. has no Communistic tendencies. Large sections of labor openly have disavowed Communism, and there is no present indication that the country is advancing towards a change in
Gov-

Government of this character.

As regards the religious and the educational problems, which the President claims as inheritances, he has followed a strict interpretation of the laws and of the Six-Year Plan regarding them. Not deviating from the previously-conceived Government position in the Church-State conflict, he has shown a moderation in his attitude towards the Church which has made for an amelioration of the religious situation.

Denying religious persecution, Cárdenas has stated his objective in the problem as being one completely to separate Church and State, and to eliminate Church activity in educational matters. A new law of the nationalization of property has simplified and clarified, while maintaining the restrictions against the ownership of property in mortmain.

With the Revolutionary demands for land and social justice well under way to be met, and the social awakening of the people having become effected thereby, education became the most significant movement of the Revolution, the one of broadest effort. Obregón, in 1921, seeing the necessity for bringing the masses into the cultural activities of the Government, thereby to unify them, established a Department of Education. From the start, the educational program was designed to cultivate and develop existing values, and to coordinate them with present realities, linking the past with the present (of which the Indian knew comparatively nothing) in a decidedly realistic manner. The school functions for the community rather than for the individual, as an agency for unifying the people and inducting them into an improved state of present existence, by combining book-learning with practical instruction, that is, education is intended to make for the general economic betterment

terment of the masses. The problem, as one Mexican writer (Alfonso Teja Zabre) saw it, was, "rather than to incorporate the Indian into civilization, to incorporate civilization into the Indian." In such a system, it is not difficult to understand that the Government was obliged to assume complete control over education, repudiating clericalism which, it felt, had not imparted education generally, efficiently, nor rationally.

The program of secular education recently has been changed for one of socialistic education. As thus far promulgated, the latter teaches the theories that civilization and culture are the result of the work of man; that labor is the fundamental cause and the measure of value of useful things; that the social structure is reared on the organization of labor; that the main factor in history is class war; that social classes arise out of positions in the economic structure; that class struggle is directed against the exploitation of man by man; and that direct action in this struggle is aimed at wealth withdrawn from circulation.

Initially, the Government financially was unable to prosecute its educational program with great vigor. The teachers, relatively few, poor, and illy-equipped, received insufficient support, and their difficulties, increased by Catholic opposition to the public school, were enormous. The Government itself, with little experience in the educational field, was slow in developing a program and in producing curricula and text-books. As the financial situation improved, however, increased percentages of the budget were earmarked for public education - from 15% in 1934, to 20% in 1939 - and it was planned to erect six thousand additional

tional rural schools during this period (rural education being of primary consideration).

President Cárdenas has been assiduous in carrying out this plan. He has created a National Council of Higher Education and Scientific Research, planned a National Polytechnic School (to be opened in Mexico City during the first quarter of 1936), provided for the free impartation of secondary education, produced one and a half million textbooks to be sold at seven centavos each, and formulated a plan for the federalization of public education by coordinating the work of the State Boards of Education with that of the Ministry of Public Education. He has promised the rural teachers increased salaries, personal protection, and the provision of firearms for their defense against opponents of the public school. In his New Year Message to Congress he promised, inter alia, the establishment during 1936 of two thousand rural schools, fifty kindergartens, and five Indian boarding-schools; the foundation of twelve hundred libraries; and the creation of a Technical Council for Agricultural Instruction.

Until the advent to power of Obregón and Calles, Mexican politics had been an internal struggle for the consolidation of power, supported by diverse Revolutionary tendencies and instigated by ambitious military and political leaders. Revolution was considered natural and inevitable. The organization of the P.N.R. made for Party organization and discipline, limited the scope of individualism, and emphasized institutional Government. However, the latter had not come to be unified.

Cárdenas' first Cabinet, in the main, was inflicted upon him by the P.N.R. leaders. After his disagreement
with

with Calles, in June, he rearranged this body more to his own taste,ousting one of the last remaining militant groups - that of Garrido Canabal. The present Cabinet consistently has been considered as divided, the differences primarily being in the persons of Portes Gil, Mógica, and Cedillo. However, the President, in selecting them, can be seen to have recognized his own limitations and lack of experience in statecraft and government, and somewhat to have sacrificed unity for a consolidation of the political and social institutions. Portes Gil has had long experience in government; as President, he prosecuted the agrarian program with intensity; he broke the political power of labor by opposing the conservative, formerly officially-supported groups, with radical groups; and he has been the Government's bulwark of support in the Church-State conflict. To Mógica (Cárdenas' campaign leader) is attributed the greatest responsibility for the writing of the agrarian and the labor codes into the Constitution of 1917 (which fact he has not used to his own advantage). Cedillo, together with his two brothers, is notorious for his incessant fight in San Luis Potosí, for land, social and cultural equality, and rights of the Indian. Such were the elements chosen by the President to aid him in retaining the support of the peasant and labor masses - the vital asset for maintaining power.

Most recently, he has included in his Cabinet, as Minister of Foreign Affairs, Eduardo Hay, an old Revolutionary, with a reputation for suavity and composure, and with long diplomatic experience, who proved himself most conciliatory in the heated days during the framing of the Constitution,

stitution,, but who has never held elective office.

To offset the old principle of agreement by force, Cárdenas appears to attempt to form a common opinion and judgment by pursuing a very liberal political course. Whereas most of the great Revolutionary figures have passed from the stage through violence or exile, he has permitted and encouraged their return, so healing an old wound and bringing back energetic figures to national utility. He has been criticised, however, for permitting too free expression of radical opinion, much of which is found seditious. On the other hand, within the P.N.R. and its members in office, Federal or State, he has demanded discipline and loyalty and a centralized control. In accordance with this idea, he has not hesitated to oust and replace various Governors (although in some States, notably Querétaro, he has not succeeded in wresting complete political control). Both Houses of the Congress have formed majority "Left Wing" groups which stand solidly behind him.

The feeling that the Government could feel secure in the support of the common people, as opposed to military support, was born only in the day of Obregón. The army which emerged from the Revolution was not a national army, but a series of individualistic forces, fed, armed and controlled by the several Generals. Having campaigned without base, without commissary, without giving or asking quarter, these troops had no real military discipline. They were avid to take the field at the slightest pretext, upon the least promising offer of excitement and gain. The purification of the military arm and the indoctrination of a national patriotic spirit to supplant the tradition of personal loyalty, was a long, slow process. Finally, during the

Presidency

Presidency of General Calles, and by the direct efforts of General Joaquín Amaro, the army was transformed into a disciplined machine. While the Escobar and the Gómez-Serrano revolutions indicated that the Government still could not count upon the Army as a unit, the troops involved in these defections were in a minority.

At the time of his inauguration, President Cárdenas was said to have lost a great deal of his popularity with the Army. One of the first incidents of his Administration was a personal quarrel with General Amaro over the granting of diplomas to certain graduate student officers. Also, the Army has no Communistic sentiment and it resents the freedom permitted Soviet activities in the country (which accounts for the fact that the Government is loath to use it for quelling disturbances involving Communists). Finally, it has resented greatly the arming of the peasants.

On the other hand, the President has stressed the fact that the armed forces are drawn from the workers and peasants (somewhat the flower thereof, in fact, since all soldiers must be literate) and that they must be loyal to the Government which protects, and is supported by these elements. He has shown great interest in the welfare of the Army and in improving its conditions, cultural and physical. Schools for Army children have been created, improved housing facilities provided, pensions increased and extended, and military medals more generously awarded. Most recently, he has granted an allowance of two uniforms to each officer on active service.

With the above review of the development of the Revolution and the manner in which President Cárdenas has fitted himself into the pattern thus delineated for him, it is easier to comprehend how he was able to break finally with

General Calles, the greatest outstanding single living figure of the Revolution, and to eject him from the Party which he himself had created. There is no precedent for this action in Mexican history, nor for that of the return of a dictator once he had quitted the country. Even Cárdenas' refusal to inflict punishment on Calles has put many in a quandary.

To be sure, Calles, had he entertained any idea of returning to power, made a strategic blunder in leaving the country last June, declaring his positive retirement, after but a feint of testing strength with Cárdenas over the labor problem. This action and the subsequent intimate contact which he maintained with his followers in Mexico, gave warning to the Government, which did not hesitate to permit the growing of public opinion adverse to Calles. The press carried on a veritable campaign of exposing the "crimes" of the Callist régime; he and his followers were depicted as traitors to the Revolution, who had grown wealthy at the expense of the proletariat; and the deciding blow was given by the circulation of a rumor that he was planning a coup-d'état in Mexico with the backing of powerful American interests, if not of the Government, itself. Previously, Calles' luke-warm attitude towards the agrarian program (after a trip to France, in 1929, he expressed doubts as to the economic soundness of the division of lands in small holdings) and his lack of sympathy with the aspirations of labor were known generally. Also, his returning with Morones was a tactical error. The latter, whose great early work in behalf of labor at one time gave him a position parallel to that of Zapata, sacrificed his exalted position to political ends and personal fortune. He was ejected from his personally-organized C.R.O.M., in 1933, and his
early
country's

early affiliations with the American Federation of Labor placed him under the suspicion of enjoying American influence.

As the Department is aware, Calles' return met with energetic action by the President, including the removal of Governors and Generals, the unseating of Senators and Deputies, and the ejection of Calles and a number of his followers from the P.N.R. The peasants and labor rose in protest against Calles' presence in the country (much of which, however, was staged by the Government) but there were no indications anywhere in the country of sympathy or support for Calles. Despite the removal of General Amaro from his high position of Chief of Military Education, the Army, in which he enjoys a tremendous popularity, remained loyal. An end of the incident would appear to have been made there, for Calles appears, more and more, to be receding from the scene.

In conclusion, it would seem that President Cárdenas has succeeded in maintaining his authority because of his integrity and because he has sought honestly to solve the economic and social problems of the country, within the framework of the Revolutionary program, in a sincere effort to meet the urgent needs of the people. He has confronted an emergency with decision and a demonstrated sense of security. If the emergency were not real, he nevertheless had the sagacity to make political capital of it, for beyond the feeling of the masses that he has protected them against possible reaction, his action against Calles, who supposedly was armed with foreign support, has given also the idea that the President has defended national honor and integrity against foreign pressure, and so assured the
country's

country's international existence.

From this point, the President, who has steadfastly assumed full responsibility for the conduct of his Administration, obviously intends to dominate the Mexican stage. He has full power in his hands to cope with the political situation as it arises, and he has challenged all elements to organize political parties in opposition. His attitude in the capital-labor conflict is the one element which causes most apprehension but, unless he reverses his expressed determination not to follow Communistic tendencies, this should not lead to social upheaval. As has been pointed out, the agrarian program is not Communistic and the Army is opposed to this political doctrine. With the former organized into an armed militia, the President has two forces, both thus far proved to be loyal, to support him against labor, should the latter become militantly radical and attempt to overthrow the Government.

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Mexico

Hi
Personal.

January 2-1936

México, February 26, 1936.

PERSONAL.

Dear Franklin:

I heard over the radio that a few days ago Mr. Carmody, head of the Knights of Columbus, in a speech at Hartford, Conn., charged that I was hand in glove with the Mexican Government to stamp out religion. It would be hard to convince anybody in my home State or any others who know me that I could be in league with anybody either to stamp out religion or to weaken the power of any Christian church.

This charge recalls an incident which you may not remember, but you will recall when I state it. You remember that early in our service in the Navy Department Mr. Isham sought to secure an appropriation for the purchase of an Isham patent in place of the shells which the Ordnance Department believed could best pierce armor plate. Isham was backed for a time by a few Naval officers and by Richmond Pearson Hobson, who was on the Naval Affairs Committee, and Admiral Fiske thought there might be something in Isham's contention. Admiral Strauss was opposed to having anything to do with Isham. Finally it was decided to give Isham a chance to demonstrate his device. You will recall that a Committee of Congress and Ordnance officers went down the Potomac for the test. My recollection is that it endangered their lives and a few days afterwards I wrote a letter to Mr. Padgett, Chairman of the House Naval Affairs Committee, in answer to an inquiry, stating that in view of the fact that the test was not a success I could not recommend the appropriation of any money for the purchase of the Isham patented device. Isham was at the meeting of the Naval Affairs Committee when my letter was read. It infuriated him and he rushed up to the Navy Department and, without waiting for my secretary to give him permission to come into the office, rushed across the long room and in a very excited manner cried out:

"Mr. Secretary, I have reached the conclusion and am now confident that you are in the employ of the steel trust. Your letter proves it. I had thought

you were a fair man, but now I see you are like all the rest, you are employed by the steel trust."

There were quite a number of people in the room who noticed his excited manner and heard his words with surprise. I waited until he had finished his condemnation and, in a very quiet voice, I said:

"Mr. Isham, you would have a hard time convincing the steel trust of that fact."

My mild answer took him so far aback that he had nothing else to say and he left the room.

The charge that I am hand in glove with the Mexican Government to destroy religion is as absurd as Isham's statement.

I am wondering what has become of Isham, whether he has really perfected any of his various contemplated shells or bombs which he thought would revolutionize Naval warfare.

Faithfully yours,

Joseph Daniels

The President,
The White House.

PSF: Mexico

LMS

*file
personal
Mexico*

GRAY

Mexico City

Dated February 28, 1936

Rec'd 2:42 p. m.

Secretary of State,
Washington.

37, February 28, 11 a. m.

FOR SECRETARY HULL.

Please deliver the following message to President Roosevelt confidentially and speak favorably to him if you think wise.

"Friends of Michael Francis Doyle will present his name for Assistant Secretary of the Navy. He is well qualified and I think it would be an excellent appointment. He is the attorney of the Catholic Commission organized to help Mexican Catholics. When at home in January he assured me that he accepted only upon condition that the commission would not attack your administration. I think his selection would be helpful in many ways. You know of his deep interest and knowledge of the Navy and his support of your policies."

DANIELS

HPD

C.H.

PSF: Mexico
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H. R. Anthony Hill
Republican
Mexico 36

On October 24th of last year, the President of Mexico gave an interview to The New York Times and perhaps other American papers urging foreign capitalists to invest their money in his country. In this interview, President Cardenas did not say, "Employers who are frightened by Mexico's social and economic struggle can turn over their industries to the workers or the Government - that would be patriotic; the stoppage of activities cannot be countenanced." On February 12, 1936, he did utter the words just quoted.

The Mexican press and Mexican public officials have been discussing for a year the question whether the country was communistic or going over to communism, and they seem to have decided to their own satisfaction that neither was the case. Most of the controversy has been mere quibbling over words. Because the country is not made up of a Group of Soviet states, the Government and the press have decided that there is no communism in Mexico.

No country "goes communistic". Communism, as defined in the dictionaries, has never existed, does not exist now, and never will exist. Dictatorships by individuals or groups have existed, do exist and always will exist. No one supposes that the

one hundred and sixty million people in Russia decided to embrace communism and did embrace it. On the contrary, every one knows that a small party, with strong men at its head, has imposed its will on the rest of the population.

Precisely this situation exists in Mexico. It has arisen in full force in the last two or three years with the sudden increase in the price of the precious metals, gold and silver, and the recent moderate recovery in the price of oil. The mining industry in Mexico is in the hands of foreign capital. When some return of prosperity appeared, almost coincident with the inauguration of President Cardenas, and because the President was uncertain of his hold over the Army, the labor unions began to acquire power, first exercised by them to demand increases in wages. An increase was justified, and by the early summer of 1935 wages were double what was being paid two years before. Then began the dictatorship of the unions.

The Mexican Constitution adopted in 1917 and the Mexican Federal Labor Law adopted in 1931 provide for fair treatment of labor. They are criticized by some as being too liberal to the workman and unfair to the employer, but this criticism is unfair. The

legislation on the whole is good.

When an employer discharges an employee without cause, he must pay three months wages and twenty days additional for each year the man has been in his service.

The employer must enter into a collective contract with his employees if they form a union and demand it.

The Constitution declares that the employee is entitled to a share in the profits of the business, but this provision of the Constitution has never been interpreted by law and is not enforced.

The Law contains provisions for special labor contracts for a given time, for a given piece of work, or for a given amount of money, so that the employer may know what his commitment is in any given case.

The Law also makes provision for application to the Board of Conciliation and Arbitration to stop work when the material available for the business is limited or when economic conditions make a shut-down necessary.

To anyone familiar with conditions in Mexico, the quotation above from a recent utterance of President Cardenas is a plain statement of the present attitude

of the Mexican Government. The provisions of the Mexican Constitution with respect to labor and the Federal Labor Law have been thrown overboard, and they have been jettisoned by the Government itself, by the President, by the Supreme Court, by the Federal District Courts and by the Boards of Conciliation and Arbitration. It is not a question of interpretation of the law which might be open to criticism, but a deliberate set purpose on the part of the authorities to disregard all the provisions contained in the Constitution and Law for the protection of the employer..

"Stoppage of activities cannot be countenanced". This means that when the employer no longer has funds with which to continue his business, he must continue it anyway, and the wages of the employees will become a charge against the assets of the business, giving grounds for a suit by the employees against the enterprise and the attachment and sale of the assets to satisfy their claims. "Employers who are fatigued by Mexico's social and economic struggle can turn over their industries to the workers of the Government."

These are not mere suggestions. They reflect the studied policy of the present administration

in Mexico.

If an employer finds that he is losing money and becomes convinced that he must shut down his business until things get better, he cannot do so by discharging his employees and paying them the indemnities provided by law. If he does this, his workers will strike, the Board of Conciliation and Arbitration will declare the strike legal, the District Court and the Supreme Court will affirm this decision, and the employer must settle the controversy on the union's terms or lose his business through the accumulation of strike time which he is unable to pay. The Department of Labor will inform the employer that he had better accede to the demands of the union.

If the employer makes application to the Board of Conciliation and Arbitration to close down because of economic circumstances, the Board will pigeonhole the application and never act upon it, and without the approval of the Board the employer cannot shut down his business. There are many many such cases where applications have been pending before the Board for more than one year. It is the policy of the Board not to consider these applications. Meantime, accumulated wages are becoming a charge against the property of the employer.

13

If an employer has a given piece of work to be done or a given amount of money to spend and wants to make a contract with his workmen to cover a given job or the expenditure of a given amount of money, he is told by the union that it is against the policy of the union to enter into such a contract, although the law makes express provision for it, and that he must sign a collective labor contract for an indefinite period of time. If he signs such a contract, he is ruined, because he will never be able to stop his employment when a given piece of work is done or when his available money is exhausted.

The Charter of the Miners and Metallurgical Workers Union provides that the principal purpose of the Union is to put the means of production into the workmen's hands. President Cardenas, for the first time, states in plain language that it is the policy of the Government to aid the Unions in accomplishing their purpose. Notice that nothing is said in the Charters of the Unions, nor in the announcement of the President, about compensating the employer for the assets taken away from him.

All of these things are being done in Mexico by the substitution of a Government by men and

their whims for a Government of laws. Whether the result now so frankly sought by President Cardenas is communism or some other "ism" you may judge for yourself.

This result can be accomplished only by disregard of the provisions of the Mexican Constitution respecting the taking of property without due process of law and the right of the individual to be protected in his life and possessions. The courts of the country, including its Supreme Court, are joining whole-heartedly in the spoliation.

In view of this situation, President Cardenas' invitation to foreign capital is brazen indeed - but it might be misleading to anyone who took his words of last October at their face value.

On January 25, 1936, an article entitled, "Where are we headed" appeared in Novedades, a daily newspaper of Mexico City from which the following is quoted:

"Where are we headed?" To use a phrase of Moheno which was the title of one of his publications. It seems we are headed for communism although some certain authorities hasten

to deny it and even deny it categorically. The only difference is that our system, our tactics are different than those usually employed by communists to take over public power. Generally they resort to violence and pull off a coup d'etat as happened in Russia in 1917, or they start a movement of rebellion such as the one which recently failed in Brazil. Here the tactics are different. They are underground, one might say. They are smooth, hidden and artful; they fool you, they undermine the bases of industry conceding to the workmen whatever they ask for and starting up strikes in most cases. Little by little the power of the workmen overwhelms the industry and industry finally becomes an employee of the workmen. There are no profits to distribute because everything goes in wages, the workmen's intervention in the management of business becomes more direct all the time. The collective contracts are only used to tie the hands and feet of the industrialist. The workmen ignore and violate the contracts whenever they please.

"Socialist education aids in the same program. All you have to do is see what is taught in the official schools. It is not socialism but hatred of capital, hatred for the bourgeoisie, hatred for everyone who stands out from the mass and distinguishes himself.

"And when the plot is ripe, the change of rule will come with its whole trail of abuses, outrages and persecutions.

"Do the high authorities of the country understand what is going on? Frankly, I do not think so because they would be the first of all to be broken down by the chaotic hurricane of barbarous and brutal communism. For such would be our hurricane when we consider the conditions of ignorance in which our people live."

The author of this article must be disillusioned now. The "high authorities" of the country do understand what is going on. The highest authority is aiding and abetting it.

There is an active communistic propaganda in Mexico financed by Russia. The leader of the principal group of Unions recently returned from a visit to

Russia and gave a series of lectures on communism and proposed the formation of 23 Soviet Indian States in the Republic. These communistic propagandists are known; at least one of them has made trips to the United States within the last three months.

Has our Government no interest in this Mexican situation? Isn't it something for all of us to think about?

PSF: Mexico (Colind)

"file personal"

México, April 7, 1936.

PERSONAL.

Dear Franklin:

I distinctly feel - in fact there are concrete reasons for feeling it - that the policy of moderation which I wrote you President Cárdenas said he would carry out is step by step, sometimes with recessions here and there, going forward. I know this will hearten you. On Palm Sunday 39 Catholic churches were open in Mexico City, which is 15 more than have been open at any time since I came to Mexico, and the crowds who thronged the churches carrying palms were the largest old inhabitants said they had seen. I made it a point to drive through the city about midday Sunday and saw great congregations at all the Catholic churches. The election was taking place the same day for senators and deputies, and I had supposed the interest in it would be so great that the throngs around the election booths would be many times greater than in the churches, but the contrary was the case.

It was interesting to see that women were voting here for the first time and many of them cast their ballot.

I had unofficial information yesterday from Tiajuana that a priest gave instruction to children preparatory to Communion in the homes of the parishioners of that place with the knowledge of the authorities. Repair work has been begun on a Catholic church in Matamoros which has been in bad repair for a long time. On my trip to southeastern Mexico I found churches open at places where they had been closed.

This

The President,

The White House.

This does not mean that the President has issued any public decree or made any public statement, and I do not think he will do so. I think he is so engrossed with the resolve to secure better conditions for the masses that he will not make a declaration about anything else. Moreover I gather that his party thinks any public statements of the opening of churches and a moderating policy might raise an issue with those who closed the churches and inject trouble into the political situation. However, this is only surmise on my part, and it is based on what I have observed rather than what I have heard.

The attitude now seems to be, even of the politicians who are not favorable to the church, to let things take their natural course in most of the States, and the natural course uninfluenced would be for the churches in most of the States to open. Of course there are counter-currents. For example, some fuel was added to the flames of those who are opposed to the church by the killing of a certain number of rebels in Jalisco this week. They were said to have been led by a priest. Jalisco is a strong Catholic State and the church people feel they have been denied their rights.

I am giving you these sidelights so you may keep posted with the religious situation here.

I gather from the newspaper accounts that you had a fine time and obtained needed recreation on your fishing trip. It is too bad that you skirt Mexico both on the Pacific and the Atlantic and we do not see you. I hope after you are re-elected that you and Mrs. Roosevelt can come here. The climate is well nigh perfect.

It is gratifying to see that the attempt to organize opposition to you inside the Democratic Party "died a-bornin", and that the outlook for November is that you will receive the approval which your administration richly deserves. Your plan to raise taxes from sources that had heretofore escaped paying their share came at the proper time. It was a silencer to those who were vocal in their demand to "balance the budget". They believed you could do nothing. When you said in substance: "Here is the way to do what you have vociferously demanded", the Chamber of Commerce and the Liberty League got busy to show that your plan was not wise. The more they attack your policies, the stronger is public approval. They never have but one plan - sock the poor by a sale tax or some like method that lets wealth escape.

I hope

I hope to be home in June and talk with you about many matters and be present at the Convention in Philadelphia.

My wife joins in affectionate regards to you and Mrs. Roosevelt.

Faithfully yours,

Joseph Daniels

"file
president"

PSF: Mexico

EMBASSY OF THE
UNITED STATES OF AMERICA
México, April 22, 1936.

My dear Mr. President:

I had a letter a few days ago from our mutual friend, Mr. Michael Francis Doyle of Philadelphia. As you know he is associated with the Catholic organization of which Archbishop Curley is the head, and he keeps me posted from time to time with the status of that organization and the feeling of the Catholics in the United States. I thought you might be interested in the following extract from his letter:

"The Catholic Association for International Peace held its annual sessions in Washington on Monday and Tuesday of this week. I was one of the organizers of this body, and formerly its President and made an address on the forthcoming South American Conference called by President Roosevelt and urged the earnest support of the same. It is the policy of the Association not to adopt resolutions, but there is no doubt but that the various Catholic Universities and Colleges throughout the country will follow with interest the coming sessions of this Conference.

"The Mexican question was eliminated from the program upon my suggestion. This was done to prevent any criticism of the Administration's policy. You may recall that at last years' meeting there was considerable discussion on this subject and several addresses were bitterly critical. In order to avoid any unwarranted attacks

I

The President,
The White House.

"I had the subject stricken from the program. You will be pleased to know that Archbishop Curley, who was one of the leading opponents of the State Department's policy, concurred in my judgment.

"The Catholic Bishops Commission for Mexican Relief has formally decided to confine its activity entirely to the erection and support of the Seminary project. The primary object of this is to avoid any semblance of influence with political policies."

Always with warm regards, I am,

Sincerely yours,

Joseph Daniels

PSF: Mexico (closed)

file
confidential
Mexico

ASSISTANT SECRETARY OF STATE
WASHINGTON

June 17, 1936.

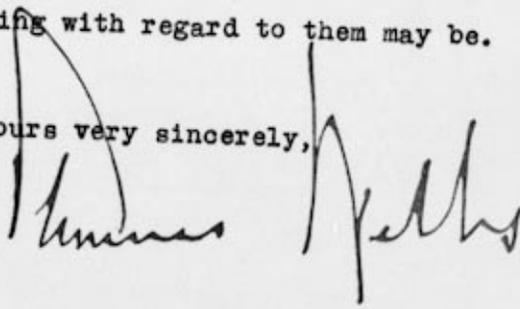
Dear Marvin:

I enclose herewith a confidential letter for the President. I am sure that you personally will be pleased with its contents.

Mr. Hull is sending over to the President this Department's suggestions for the foreign relations planks for the platform. I will appreciate it if you will let me know what the President's feeling with regard to them may be.

Believe me

Yours very sincerely,



The Honorable
Marvin H. McIntyre,
Assistant Secretary to the President,
The White House.

DEPARTMENT OF STATE
WASHINGTON

June 17, 1936.

My dear Mr. President:

I am glad to be able to tell you that as a result of continued conversations during the past winter and due particularly to the helpful cooperation of the Mexican Ambassador here, the Mexican Government has now agreed to the dispatch by the Vatican of a special representative to Mexico in order that he may endeavor to secure unity among the Mexican bishops and at the same time take the necessary steps to reestablish some discipline among the Mexican priests.

Monsignor Piani, for many years Apostolic Delegate to the Philippines, was selected for this mission and has already left for Mexico. It was agreed that no publicity whatever should be attendant upon his mission and that he himself should neither make any statements to the press in the United States or Mexico, nor engage directly or indirectly, in conversation with the members

The President,

The White House.

of the Mexican hierarchy, in discussions of Mexican political affairs.

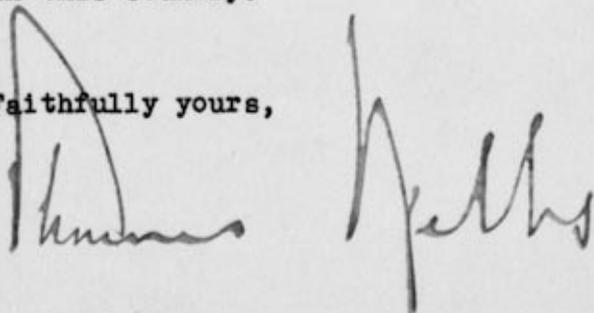
The Mexican Ambassador, who is now in Mexico City, told me that he himself would receive the Delegate in that capital and would do what he could to insure the success of his mission. Furthermore, it is the tacit understanding that if this mission proves successful, it will pave the way for an agreement by the Mexican Government that a permanent Apostolic Delegate of Mexican nationality be appointed to reside in Mexico City.

The Apostolic Delegate in Washington, Monsignor Cicognani, asked me to see him before he left for Rome last Saturday, and requested me to convey to you in the name of the Vatican, and in his own name, an expression of very sincere gratitude for the effective and understanding assistance you had rendered in the attainment of this initial step. Father Burke was present at the interview.

I assume from what Father Burke said to me that these facts will be communicated confidentially to the members of the hierarchy in this country.

Believe me

Faithfully yours,

A handwritten signature in dark ink, appearing to read "Thomas Kelly". The signature is written in a cursive style with a large initial "T" and a long, sweeping underline.

Mexico

P.F.

México, August 28, 1936

PERSONAL.

Dear Franklin:

I wrote you on August 21st and enclosed a memorandum from Mr. Frank Tannenbaum containing a statement made to him by President Cárdenas about the religious situation in Veracruz and Sonora. After sending that memorandum I had another talk with Mr. Tannenbaum and told him that Veracruz was Mexico's show window; that all people who came here from Europe and all who came from the United States by water entered Mexico via Veracruz and the fact that the Cathedral and all the Catholic churches there were closed created an impression very unfavorable to the Mexican Government, and people who visited Veracruz went back to the United States feeling that all Mexico was hostile to religious worship.

Mr. Tannenbaum came to see me this morning and told me that he had taken lunch with President Cárdenas and had discussed this matter again with him. Mr. Tannenbaum is returning to the United States and he has a message from President Cárdenas to you, which I think you would like to receive. Mr. Tannenbaum is connected with the graduate department of Columbia University. He could visit you at any time that would suit your convenience around the middle of September. I think it would be well for you to make a date - he would take very little of your time - and let him know when to call.

I have been invited, along with other members of
the

The President,
The White House.

the Wilson Cabinet who were in office during the World War, to be a guest at the National Convention of the American Legion in Cleveland on September 21-24. I hope to go and if so I could run over to Washington to see you if you wished me to do so.

My wife joins me in love to you and Mrs. Roosevelt.

Always with my affectionate regards,

Faithfully yours,

Josephus Daniels

*file
presmas*

*PSF Mexico
Mexico*

México, August 31, 1936.

Dear Franklin:

The improbable has happened here. The Mexican Government and the Mexican people have opened their hearts to representatives of the Navy of our country. Forgotten is the demand for the salute because of the arrest of officers and men on the DOLPHIN at Tampico. Forgotten or forgiven is the landing of men from naval ships at Veracruz and the death of men of both countries in a regrettable exchange of shots.

Last week Admiral Yancey S. Williams and three naval ships with half a hundred officers and eight hundred sailors and marines arrived in the beautiful harbor of Acapulco. They were received with every honor. They had come on a good-will trip and were welcomed with good will by officials and people at Acapulco. A dozen and a half officers and two score sailors and marines came up to Mexico City, a distance of about 288 miles. It was the first time since Veracruz that an official visit was paid to this capital by representatives of the American Navy. The President gave them audiences with words of friendship and welcome. Military and naval commanders vied in courtesies and entertainment. The officers were guests at the Embassy and a garden party at the Embassy for them and for the enlisted men was attended by over six hundred American men and women resident in Mexico, and scores of Mexicans. It was a scene that would have warmed your naval heart as it did mine.

The best part of it was the evidence that the Good Neighbor

The President
The White House.

Neighbor policy has won the hearts of the people and officials, driving out even the memory of other days when the Veracruz incident denied our country the regard of Mexicans. The coming of Admiral Williams, who won all hearts, and the naval representatives, afforded an opportunity to demonstrate to the world the warm and cordial relations existing between these neighbor republics.

I have, of course, sent a full report to the State Department of the visit, but I knew you would rejoice that a visit here by the Navy we both love had more than any of us hoped demonstrated the fine relations that exist between Mexicans and our countrymen.

It would have done your heart good to have seen the sailors - self-respecting, upstanding, and fine looking. They made a fine impression here and I felt proud of their bearing and deportment and know that you will share my happiness in that knowledge.

Following the welcome to the Vice President and the American Commission at the formal opening of the Laredo-Mexico City Highway, I trust these visits are only the fore-runners of the great reception which awaits your coming. Every time I see the President he sends his regards and expresses his admiration, which I know is deep and sincere. I hope you have it in the back of your head to come here after your re-election. You would find a welcome from the hearts of these people who believe in you and your devotion to men who are seeking a better world for men and women who have long looked out of darkened windows.

When he was leaving Acapulco, Admiral Williams gave an interview to a reporter of EXCELSIOR, from which this extract is taken:

"I cannot attempt to put into words the splendid impression I have gained of Mexico, the most hospitable, the most beautiful and attractive country I have ever seen.

"This is not a commonplace diplomatic statement; I speak with all sincerity, and I shall remember all my life the kindness which was shown us by the Mexican people."

I take it that the Admiral was saying that his sentiments were not mere commonplace and customary expressions but sincere and frank. When the members of the Diplomatic Corps here read that he had contrasted "sincerity"

with

with "diplomacy", to the detriment of the latter, they wondered if he believed, as do many, that to be diplomatic is to be courteous without being sincere. I was between the devil and the deep blue sea. As a Navy man of eight years standing I must stand by the Admiral, and as a three and a half year old diplomat I could not be untrue to the Corps. And so I assumed that in translating from English into Spanish the reporter was the culprit. And then I felt that such course would be disloyal to my life-long devotion to journalism. It is a hard thing to know where your truest loyalty lies. I rather think we both would stand by the Navy.

With my affectionate regards to you and Mrs. Roosevelt, in which my wife joins,

Faithfully yours,

Joseph Daniels

PSE
M. J. J.

November 9, 1936.

Dear Chief:-

I am beginning to come up for air after the baptism by total submersion on Tuesday night last! The other fellow was the one who nearly drowned!

Thank the Lord it was not a close vote or even a gain for Brother Landon over what Herbert Hoover got in 1932. If Landon had got the 120 or 130 votes in the electoral college as most dispassionate observers, including Emil Hurja, thought he would get, the reactionary element would have used that fact everlastingly during the next two years.

We have -- all of us -- been leaning over backward in taking the general victory calmly and in asserting that there will be no reprisals.

Nevertheless, the campaign, as Jim Farley predicted in June, was a dirty one, but I am thankful that the dirt was about 95% on the Republican side, including, of course, the Goughlin and Liberty League and "Jeffersonian Democrats" outfits, all of them without doubt flimmed with the full knowledge and approval of Hamilton.

One of the most amazing of the undoubted facts of the campaign was the discrediting not only of the Hearst papers, the Chicago Tribune, the New York Herald Tribune and Sun and the Boston Herald, but also of dozens of smaller papers whichaped the others in coloring every news story and crowding their editorials with every known form

of misrepresentation. As a matter of fact I think this type of newspaper so overdid things that the public saw through it at least by September and since then the attacks gained us votes. The same thought applies to the attack on the Social Security Act in the last two weeks of the campaign. It was so obviously untrue and unfair that we were helped.

My greatest regret of the whole campaign was that you could not have been in the thick of the fray yourself, and I missed you much.

By the way, here is a matter which without mentioning it in any way to the State Department I wish you would sound out for me, wholly unofficially, and having made discreet preliminary questionings stop at once if you find you are up against any kind of difficulty or hostility.

Cardinal Mundelein, who has been perfectly magnificent all through the campaign and is a grand person in every way, spoke to me sometime ago about the founding of a Theological Seminary in Texas, especially for the training of Mexican youths for the priesthood. I told him that it is an entirely worthy object but that in my judgment it would be far better if a Theological Seminary could be started in Mexico City itself, or if two of them were started - one in Texas and one in Mexico City. To get the latter maybe impossible at the present time but the Mexican/President seems to be working towards reopening more and more churches and the germ of the idea might be planted with good effect.

As I see it, the Mexican government might prefer to have Mexicans educated for the priesthood within their own borders rather than to have them educated in an English speaking country. The point is that in either event Mexicans will go into the priesthood.

There is no great hurry about this and you might proceed on your own with due discretion. In any event, do not write me about it until I get back to Washington about December fifteenth.

If the shipping strike is in a fair way to being settled, I shall leave the seventeenth and go to Buenos Aires at twenty-five knots an hour. Again, I wish you could be with me.

Love to you both,

Affectionately,

Honorable Josephus Daniels,
American Embassy,
Mexico, D. F.

PSF TITENICO

MEMBER OF THE
UNITED STATES OF AMERICA
México, October 27, 1933

PERSONAL.

Dear Franklin:

I hope you will receive this on election day.

During the last month, with my heart in the campaign and for the first time since 1896 not taking an active part, I have from afar kept up by radio and newspapers with your presentation of the issues. From time to time when I thought you had been particularly effective I have been moved to send telegraphic congratulations. I felt like cheering when you declared "there are a thousand and one things to be done" and your calling upon automobile and other manufacturers to do more to insure "adequate annual wages" and your arraignment of laissez faire and your clearly setting forth the necessity for ending forty eight different systems in industries that affected the whole country. We both stand for State's Rights of all that is intra-state, but when industries seek a twilight zone of state control when such regulation means no regulation, advocacy of such State Rights is as antiquated as the old contention of the right to carry slaves into free territory.

Now that the fighting is over, and we confidently await the count of votes to give you the time to carry out the policies essential to reaching the goal, I wish to tell you with what pride and joy I have followed the first four years and my faith in the permanent achievements of the next four in the safeguarding and undergirding of the program for social reform and social security.

The one thing that has heartened me above all others is that in no appeal for votes, though perhaps tempted by those who advised more politically expedient courses, have you retreated an inch from the so-called radical policy

essential

The President,
The White House.

essential to complete recovery. A few days ago a visitor here, who calls himself a conservative, using that term to camouflage his reactionary beliefs, said to me: "It looks to me as if your friend Roosevelt is going to be elected and that when he is he will drop his advocacy of plans that have given fear to the business interests. Do you not think he will, after he is re-elected, turn his back on the 'isms' preached by the radicals who surround him?"

My reply was that if he expected you to turn to the right, he little knew the depths of your convictions, and that I was sure you would go forward in paths of progress that would aid in lessening poverty and in reducing tenancy and slums and in letting those pay for the cost of government who had received the most benefits from the American system.

He hoped you would "listen to wiser and more conservative counsels". I told him that with you it was not "listening". That you had, to quote Hosea Bigelow:

"Sensed what's right
And gone for it bald headed",

or in whatever way would best effectuate your convictions.

Latterly I have observed, since it seemed clear that you would win, some people and some papers telling the people that your success would be followed by policies not so radical as in the four years that have passed. I know that you will regard your re-election as a mandate to "go forward" and give no heed to those who counsel a retreat, and that in this course you will more and more surround yourself with men whose convictions are as deep as your own and along the same lines, and who will have the courage to strengthen and advance the restoration which must follow relief.

It has distressed me to see so many of our old associates lending aid and comfort to old enemies by such speeches as Al Smith and John Davis have been making and the silence of the Newton Bakers. I was glad to see you give a thrust at "corporation lawyers" in one of your speeches. They are the most dangerous forces in our life - men who are so anxious to win lawsuits, which bring them big fees, that they surrender the political faiths of a life-time to argue for privileges for their clients. I expected nothing else of John Davis and Al Smith, because of their alignments with "the malefactors of great wealth", but the attitude of Newton Baker hurts me. I have so long held him in affectionate esteem that it is distressing to see him sitting on the side-lines when the

same

same principles as Wilson presented in "The New Freedom" are at stake. If Wilson were alive he would be with you heart and soul and would be sick at heart at the failure of those he had trusted to stand firm in the great battle against Privilege. I notice that Newton Baker is to be the chief attorney in the case before the Supreme Court for the Duke Power Company against the Government. Baker's advocacy of this utility monopoly would make Tom Johnson turn over in his grave.

Fortunately there are able men with vision who are ready to stand with you in the utility and like battles that lie ahead. You will need them. Those who have "no stomach for the fight" can be replaced by those who see that monopoly must be unhorsed if the American system is preserved.

I have long been very much interested in the plans for redistribution of the functions of government which your committee is studying and when I come home early in December I hope to talk with you about the results of my own views, some of which I have entertained since my days as Secretary of the Navy. There are other matters that are in the back of my head that I wish opportunity to discuss with you while at home. I often wish distance could be annihilated and we might discuss the big issues and serious problems which lie ahead.

My wife joins in affectionate regards to you and Mrs. Roosevelt. We both wish we could be with you on election night. But we will be getting the news and you must feel that we are cheering at this distance.

Faithfully yours,

Josephus Daniels

file
personal

PSF; Mexico

México, November 17, 1936.

PERSONAL.

Dear Franklin:

The world moves and conditions change. Saturday morning I had a call from Lic. Aleman, Member of the Federal Supreme Court, who was recently elected Governor of Veracruz. He called by appointment to extend to me a cordial and official invitation to attend the inauguration exercises on December 1st, when he will be inducted into office. He seemed very desirous of my acceptance and I appreciated his courtesy prompted by his confidence. This incident is a far cry from the early morning of April 21, 1914, when I sent the following telegram between midnight and dawn, after a conference over the telephone with President Wilson and Secretary Bryan:

"Washington, D.C.
April 21, 1914.

Fletcher,
Vera Cruz, Mexico.

Seize Custom House. Do not permit
war supplies to be delivered to Huerta
government or to any other party.

Daniels."

Because of that instruction and the resistance by the young cadets of the Naval School and sniping by citizens, eighteen Americans were killed and more Mexicans.

Bitter

The Honorable
Franklin D. Roosevelt,
The White House,
Washington, D.C.

Bitter feeling against Wilson and his associates was aroused. We had supposed, knowing our sole motive was to prevent the munitions falling into the hands of Huerta, the foe of the Mexican revolutionists, and to help this country get rid of his destructive rule, that no attack would be made on the marines and sailors when we landed them at Veracruz.

As a matter of fact, some time before the Veracruz landing, Consul Canada had informally asked General Maas, who was in command of Huerta's troops at Veracruz, what he would do if American naval ships should enter the harbor. There had been talk in Veracruz of such entrance but there was no thought of it in Washington until the arrival of the YPIRANGA with munitions on a German ship for Huerta.

General Maas answered: "I would at once move my forces beyond the range of the Navy's guns". He did that very thing, and, as you recall, there was no government force employed to protest the landing of sailors and marines. The young cadets on their own motion, resenting foreigners landing on their soil and indignant because they felt General Maas had been recreant to his duty to protect the city, offered their lives in what they regarded as a patriotic duty. A monument has been erected to them in Veracruz, and when I was in Veracruz en route home on leave, I placed a wreath on the monument, rather over the protest of our Consul. I told him that we should imitate those Englishmen who served in the War of the Roses and later were friends. I cannot refrain from admiration for those young naval cadets who, believing we had landed to take their country, were ready to give their lives in its defense. Only yesterday I ran across an "Open Letter" to William Randolph Hearst, written on March 30, 1922, by Wilbur Bates, which throws light upon the affair. The following is part of that letter:

"We have an example of Mexican patriotic spirit in the fight of the Mexican cadets of the Naval School in Admiral Fletcher's attack on Vera Cruz. One was found riddled with bullets who had evidently fought with his machine gun after he was practically dead. The boy, the young son of the Captain of the port, was buried with the highest honors by the American forces. But this did not restore to life a valorous youth who had died because Wilson was determined that 'Huerta must go', as did many hundreds of other Mexicans and more Americans than the published list acknowledged."

Until

Until I read Wilbur Bates' article, I had supposed that the arms were made in Germany. If he is right, they were made in the United States. I quote the following from his letter:

"The arms on the YPIRANGA were purchased from the Remington Arms Company and to cover their actual designation they were shipped to Odessa, Russia, and from there reshipped to Hamburg. Here they were again reshipped on the German steamship YPIRANGA to Vera Cruz where they arrived on April 21, 1914, the day that Wilson seized the port in his personal private war on Huerta.

"Admiral Fletcher took control of the vessel but within a few hours because of a strong hint by cable from Berlin, Wilson and Bryan gave 'permission' to land these arms, which were delivered to the Mexican Government at Puerto Mexico. If they were ever used to kill Americans and raid border States, they were used by Carranza and his supporters, for Huerta did not take them out of Mexico when he resigned and left the country. And if they were so used, Mr. Wilson was responsible, for he created the conditions which made Carranza possible."

This belated information will doubtless interest you as it has me. At the time that, upon the insistence of German Minister Bernstorff, the State Department agreed that the YPIRANGA could go to Puerto Mexico and deliver its cargo of arms, I was much perturbed and opposed to such disposition. But the State Department acted without even consulting us. I presume Bryan or Lansing took the matter up with Wilson but am not certain. I protested to Bryan when I learned of the action, telling him that I was sure that in that after-midnight telephone conference neither he nor Wilson nor I would have agreed to seize the custom house for the sole purpose of keeping the arms from reaching Huerta if it had been suggested that later they would be landed to his agents on Mexican territory. I never learned that they reached Huerta's forces, but the Republican speakers in the next campaign assumed they had done so and had the best of us in that phase of the argument about Wilson's Mexican policy.

By the way if I did not tell you about it at the time, it will interest you to know that when I arrived at the Navy Department the morning after the order to

"seize

"seize the custom house at Vera Cruz", Eddie Hood of the Associated Press asked me if I had received any news from Veracruz that morning. Believing that nobody knew of the order given, I acted as if I did not understand to what he alluded. He then related the conversation word for word between Wilson, Bryan and myself. I was astounded. He would not tell me the source of his information, but would not deny that he maintained close relations with a telephone operator. At that time telephone operators - or some - leaked. The result of this leak was the installation of the private wire between the White House and the Secretaries of State, War and Navy, which was invaluable in war time and since.

When I voiced my objection to landing the arms at Puerto Mexico, Bryan said that as they were on a German ship and Germany insisted on that course it seemed wise to accede and thus to avert complications. At that time, as you know, we had plenty of trouble in Mexico, for Britain, Germany and most other countries represented in Mexico City favored recognition of Huerta and we were not in a very comfortable position. Even so, I felt that the action taken by our Government had left us in an indefensible position. My strong feeling was, when in the middle of the night Wilson asked what course I would advise, and I had said that we should not permit the arms to reach Huerta, that to permit them to be landed at Puerto Mexico would put us in an indefensible position. My conviction was that our only justification for landing at Veracruz was to prevent the arms reaching Huerta's army. When Lodge and others attacked Wilson for an inconsistent course, we had no good defense that we could make. At any rate there is no doubt that "taking Veracruz", defensible or not, hastened the fall and flight of Huerta and aided patriotic Mexicans in winning the Revolution, always spelled with a big "R" in Mexico.

I must tell you of a recent occurrence which touched me more than anything else connected with my part in the Veracruz landing. Some months ago, when President Farrand and his wife were visiting Mexico City, my wife and I were invited to meet them at the home of Mr. Carlos A. Martinez Zorrilla, a prominent Mexican who married a lady whose people came from St. Louis. My wife and I had already formed ties of friendship with the Martinez Zorrilla family. Mr. Martinez Zorrilla, and perhaps his brothers, had been educated at Cornell, and when his boys were ready to enter Cornell he and his wife moved to Ithaca and lived there while their sons were in college. They are very hospitable and their home

was the center of much entertainment of college students. Their sons won high honors, particularly in athletic games. They are the most loyal and enthusiastic Cornell alumni living. On the night we were dining at their home, Mr. Martinez Zorrilla invited President Farrand and me into his library. On the walls of the room hung scores of pictures taken of Cornell students and athletes, showing that his sons had won the most coveted letters. Upon leaving the room, as we stood in the hall, I observed an oil portrait of a handsome young man in naval uniform and spoke to my host about the beauty of the youth.

"That is a portrait", he said, "of my brother who was a cadet at the Naval School at Veracruz. He was killed in the fighting there in 1914."

You may imagine my feelings. He quickly sensed that I might believe he entertained antagonism to me over the Veracruz landing, which resulted in the death of his handsome brother who had opposed the landing of our men and lost his life, for in a most friendly manner he took me by the arm and said substantially: "I have no feeling against the United States or you as Secretary of the Navy for my brother's death. You did what seemed your duty at the time and my brother, doing his duty as he saw it, gave his life in love of his country. We are friends now and always will be, with no bitterness because of what occurred years ago. I wish you to know this."

His magnanimity and cordial words restored me, for I confess that at first I felt some sinking of the heart. Dr. Farrand was also impressed by the fine spirit of Mr. Martinez Zorrilla.

Not long afterwards Mr. Martinez Zorrilla and his wife called at the Embassy to invite my wife and me to the marriage of their son. He said to my wife: "And I wish to ask your husband to honor us by being a witness to the civil marriage". My wife said she knew I would be sensible of the invitation and said: "But you do not wish the American Ambassador to be a witness, do you?"

"No", said Mr. Martinez Zorrilla, "but I would be happy if my friend, Mr. Josephus Daniels, would do us the honor to be a witness at the civil marriage."

You know in this country there must be a civil marriage. It is the legal marriage. A religious matrimonial celebration is not legal. It is celebrated however by all or nearly all religious people, generally after the civil marriage. The latter must be complied with. I went to one marriage - that of a Yale football coach -

coach - where the religious ceremony closely followed the civil rites. The priest in his clerical robes remained in an adjoining room while the civil magistrate officiated, and only when the Judge had retired did he enter and celebrate the nuptials according to the solemn rites of the church. I was a witness and after signing the Civil Register I remained for the religious ceremony.

The young cadets, when sailors and marines marched up the streets of Veracruz that morning, were aided by private citizens who, from hiding places, shot down Americans as they passed into the city. They were pursued and killed by our forces.

You will doubtless recall the difference of opinion in the Navy Department prior to the withdrawal of the naval forces from Veracruz and the occupation by the Army. I took the ground that inasmuch as we landed for a particular purpose, with no idea of remaining, it was unwise to have Veracruz controlled by an Army of Occupation. I urged that this would seem to give color that we had come to stay and cause Mexicans to doubt the words of the President. But all the Admirals and the State and War Departments officials contended that the usual rules under which the Navy took a place and then retired for administration by the Army should be followed. They out-voted me. That was the precedent, and precedence has great weight in military and diplomatic circles, sometimes more than it should.

I believed then, and I have been fortified in my view in the three and a half years I have been in Mexico, that Mexicans regarded the taking over of Veracruz by an Army of Occupation as evidence that we had come to stay. That deepened the feeling against Wilson's Mexican policy. The demand by the Chicago Tribune, Henry Watterson and the oil men that the United States intervene tended to convince Mexico that we had come to dictate its policy in favor of American concessionaires. It will take a long time wholly to eradicate the erroneous opinion held at that time.

Nobody connected with the administration was very popular in Veracruz then and long afterwards. You will recall that when you designated me as Ambassador to this country, it was reported and printed in American papers that I would be denied the official agrément because I had given the order to "take Veracruz". There was some opposition here outside the Government, but the official agrément was forthcoming, but not without some discussion in the press and some criticism of the landing at Vera-

cruz.

cruz. There was more opposition to my coming from those members of the American colony who went to bed every night hoping to wake up and find Díaz back in power, than from Mexicans. I recall, just before I left Washington, your joy in handing me a telegram from a citizen of Mexico City protesting my appointment. As I read it, you remarked with something like glee: "I am giving you this so you will understand that your appointment did not meet with unanimous approval".

Some time ago I attended a dinner at which the Mexico City gentleman who had sent the vigorous protest against my appointment was also present. My wife had met his wife at a garden party and she is a charming lady. I never let him know that I had seen his telegram and my wife was equally discreet. As you know, she always is. Later both the man and his wife were invited to dine with us at the Embassy. It may have been my imagination but I did not think he was entirely comfortable.

I give below, as it may possibly have escaped your memory, the message you directed to be sent to the Mexican Government of your expression when the agrément was granted:

"(Paraphrased copy of strictly confidential telegram received by American Embassy, Mexico, D.F., from the Department of State)

Washington, D.C.
March 13, 1933.

" Referring to the Embassy's telegram No. 43 dated March 9, 5 p.m., the Department of State desires you to call on the Minister of Foreign Affairs and request the Minister to convey to President Rodriguez an expression of the appreciation of the Government of the United States, for the courtesy and consideration shown by him in answering so promptly the request for the agrément to Mr. Daniels as Ambassador of the United States, as an indication on the part of the Mexican Government of its desire to forget the differences of the past between the two Governments. The Department also desires that President Rodriguez be assured that the President has complete confidence in Mr. Daniels, who is an old and trusted friend and that the selection of so distinguished a national personage and close associate of the President is for the purpose of

indicating

"indicating the deep and friendly interest which this administration has in maintaining the present excellent relations which now so happily exist between the two countries.

PHILLIPS Acting."

I prized even more than this expression your statement to me just before I came to Mexico: "When it was suggested that because of the Veracruz incident the Mexicans might regard you as persona non grata, I let it be known that if they could not do business with you, they could have no dealings with me".

As I was preparing to come to Mexico in April 1933, I planned to take a steamer from New York and land at Veracruz. The thought of my coming here via Veracruz gave the Mexican Division of the State Department a chill and the Counselor and Secretaries of the Embassy here were so fearful of some untoward occurrence they were intense in their protests against my entering through Veracruz. "Under no circumstances should you come by way of Veracruz" they advised - almost commanded me. "We fear the worst if you should arrive in that city after what happened there in 1914 due to your order." I never shared their uneasiness and in fact believed that the best thing to do was to act as if there had been no Veracruz trouble. Often the best way to meet such a situation is to ignore its existence. However, when the State Department was insistent that I take no chances, I came by rail. The Mexican Government had sent a General with a car full of soldiers to meet me at Nuevo Laredo and escort me to Mexico City. When we reached San Luis Potosí, the American Consul and a number of American residents, surrounded by scores of Indians wearing big sombreros, were at the station. As I started to leave the train to greet them, Stanley Hawks, Second Secretary of the Embassy who had been sent to San Antonio to accompany me to Mexico, said rather excitedly: "Don't go out there, Sir. Let the Consul and others come into the pullman to see you".

He evidently feared some hostile demonstration.

"I did not come to Mexico to become a prisoner", I replied, and went out on the platform where I met the Consul, officials of the city and State, and chatted with them until the train was ready to leave. Some days before I reached Mexico City a bomb had been thrown at the Embassy and I was advised by some of the Secretaries not to leave the Embassy until after I had pre-

mented

sented my credentials. They were more alarmed than I was and my wife and I went to ride every day.

To show that there was anxiety when I left the Embassy to go to the Palace to present my credentials to the President, an escort of cavalry and infantry was sent to accompany me. Nothing happened then or afterwards.

You told my wife when we were dining at the White House that you had forgotten all about the Veracruz incident when you appointed me. It never occurred to me, but when Hull's telephone came that I was to be Ambassador to Mexico my wife asked: "What about Veracruz?" You see the female of the species has better memory than the male!

A few months ago when I landed at Veracruz from the air, returning from Chichen Itzá, I was met at the air field by officials of Veracruz who were very courteous and gave me the freedom of the city. So you see that if there was some opposition here because of the landing at Veracruz, it has changed to regard. I think I will accept the invitation to go to Jalapa on December 1st to attend the inauguration. Governor-elect Aleman is a young man of the better type of public men who are coming into power in the various States. He has been on the Supreme Court here and his election as Governor promises to soften and moderate the long feud at Veracruz between the Church and the State Government. It has been more bitter in that State than in any other and there is not a single Catholic Church open in the city of Veracruz for worship. Some years ago in a bitter fight in a church some people were killed and the Bishop expelled. He is living quietly in Mexico City. I have talked to him twice. He hopes for a better day for his church but officials here tell me he is partly responsible for the acute situation there, whereas he and others of the Catholic Church say the persecution was led by the atheistic radicals. Certainly Veracruz has been the center of the most radical element here.

I wrote you some time ago that at my last conversation with President Cárdenas I told him that inasmuch as Veracruz was the show-window of Mexico, the fact that no Catholic Church was open in that city created a bad impression for his country on all visitors from Europe and those who came to this country from the United States by water, and that I ventured to hope that this deplorable condition would be changed. You will recall that his reply aroused hope that there would be a change for the

better

better when the new Governor was inaugurated. I took advantage of the call of the Governor to give expression to the same view in my talk with him. He said that the acute trouble had been worse in the city of Veracruz than in any other part of the State. He added that there were churches functioning in other parts of the State of Veracruz and his policy would be one of moderation and no persecution. Even in Veracruz there has been some softening, for mass is celebrated in a number of private homes without molestation though the fact and the places are known to the police. The antagonism is strongest among those who were engaged in the Cristero rebellion when Catholics sought to overthrow the government about ten years ago. The younger generation as a rule is free from bitterness and I hope the new Governor will carry out a policy that will result in open freedom of worship. It may be that my going to his inauguration will help the situation.

In view of your letter written on the eve of your sailing for Buenos Aires, I believe this more hopeful situation will interest you.

With my affectionate regards,

Faithfully yours

Joseph Daniels

PSF Mexico

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PF

México, November 17, 1936.

My dear Mr. President:

At the request of Mr. Antenor Sala of this city I am enclosing herewith a letter which he has addressed to you, together with a translation of the letter for your convenience.

Mr. Sala, who greatly admires you and watches your course with as much interest as any American, during the campaign wrote an article which he wished to have published, urging your reelection. He showed it to me and it was a very good article, but I advised him not to print it, saying that just as people of Mexico are jealous about the citizens of other countries seeking to influence their political life, there would be Americans who might criticize the action of a Mexican taking part or seeking to influence an election in the United States.

With sentiments of esteem and high regard, I am,

Sincerely yours,

Joseph Daniels

The Honorable
Franklin D. Roosevelt,
The White House,
Washington, D.C.

Enclosure.

(TRANSLATION)

ANTENOR SALA
6a Bolivar 51
MEXICO, D.F.

Mexico, D.F., November 13, 1936.

Mr. Franklin D. Roosevelt,
President of the United States of America,
Washington, D.C.

My dear Mr. President:

I have purposely allowed the first moments of the triumph to pass, with the somewhat ingenuous desire that my insignificant but sincere and earnest well wishes should not be lost in the tumult of enthusiastic felicitations.

I believe that the result of the electoral campaign in a victory almost unparalleled in the history of the great North American democracy not only is of great importance to the future of all the republics of the Continent and even of the Old World, but has a significance of incalculable historical and social value.

Absurd because contradictory is any socialistic doctrine based on desperation, on hate and on the annihilation of the human personality. The concept of society essentially and necessarily implies love, justice, liberty and hope in the good and in work.

The tremendous social force of christianity, the medula of western civilization, which, far from dying, tends toward rebirth, consists in the fact that those are its ideals. Communism preconizes violence and destruction as the best means for the creation of the future city; the struggle of classes, bitter and cruel, for the reorganization of societies; and the absolute subordination of individual to community interests, for the attainment of utopian equality which, by that road, would be equality in poverty and backwardness, because to destroy legitimate ambition and the hope for individual advancement is to check the march of humanity's progress.

The transformation of societies organized according to outworn economic systems being a need that can no longer be deferred, humanity stands perplexed and undecided before the new systems proposed to it.

And

And at this solemn moment of history rises your strong personality with the supreme prestige which Hope gives to man: hope for peace through your realization of the longed-for social reform (transformación) evolutively, without revolutionary violence, which always destroys more than it creates; hope for justice through the conciliation, balance and cooperation of the interests in conflict; hope for unity through the support and the approval of the popular majority without distinctions of class or of creed; and hope for collective progress through respect for the rights of man, inexhaustible source of the creative energies of the individual.

What you have accomplished along this righteous path is the guarantee of success of what remains to be done; and is a profitable lesson for those who look about them confused and disoriented for the solution of the great social problems.

I who have spent the best years of my life and my limited resources in procuring the rational and effective solution of the agrarian problem of my country, upon the solution of which, in my opinion, depends the solution of all the others, have regained hope from the realization that the high example which you are setting the world will contribute greatly towards the adoption in Mexico of the principles and procedures which, through a happy coincidence which makes me proud, we consider, in common accord, good.

And this is the reason for my joy and for my cordial felicitations on your significant and promising victory. May it be for the good of the Mexican people (pueblo) and of humanity in general, is my sincere hope and desire.

I have the profound satisfaction of remaining, as always, respectfully,

Your sincere friend,

ANTENOR SALA.

P.S. I wrote an address on social-economic matters in relation to the electoral campaign which has had such a gratifying ending, to be radiocast opportunely in the United States of America; but, counselled by the discreet advice of our mutual honorable friend, I did not hesitate to renounce the plan, but I understand that the same honorable friend will make known to you the text of that address when next he has the pleasure of seeing you.

Antenor Sala.
6.º Bolívar 51.
México, D. F.

México, D. F. a 13 de Noviembre de 1936.
Mr. Franklin D. Roosevelt, Presidente de los
Estados Unidos de América.

Washington, D. C.

Muy estimado Señor Presidente:

De intento he dejado pasar los primeros momentos del triunfo con el deseo, un tanto ingenuo, de que no se perdiese en el tumulto de las felicitaciones entusiastas, la mía insignificante, pero sincera y razonada.

Cree que el desenlace de la campaña electoral con una victoria sin par casi en la historia de la gran democracia norteamericana, no sólo será de gran trascendencia para el porvenir de todas las repúblicas del Continente y aun del Viejo Mundo, sino que entraña un significado de incalculable valor histórico y social.

Es absurda por contradictoria, toda doctrina socialista basada en la desesperación, en el odio y en el aniquilamiento de la personalidad humana. El concepto de sociedad connota, esencial y necesariamente, amor, justicia, libertad y esperanza en el bien y en el trabajo.

La inmensa fuerza social del cristianismo, médula de la civilización occidental, que lejos de haberse extinguido, tiende a renacer, consiste en que sus ideales son esos mismos. El comunismo preconiza la violencia y la destrucción como el mejor medio para crear la ciudad futura; la lucha de clases, encarnada e implacable, para reorganizar las sociedades; y el total sacrificio del individuo a la comunidad para lograr la utópica igualdad que, por tal camino, sería la igualdad en la miseria y en el atraso, porque destruir las ambiciones legítimas y las esperanzas de mejoramiento individual, es lo mismo que romper el resorte del progreso de la huma

niada. del pueblo mexicano y de la humanidad entera.

Siendo ya inaplazable la transformación de las sociedades organizadas conforme a sistemas económicos caducos, la humanidad se halla perpleja e indecisa ante los nuevos sistemas que se le proponen.

Y en tal momento solemne de la Historia, surge la fuerte personalidad de usted con el prestigio supremo que para el hombre tiene la Esperanza: esperanza de paz al ver que usted va realizando la anhelada transformación social evolutivamente, sin violencias revolucionarias que siempre destruyen más que lo que crean; esperanza de justicia al lograr la conciliación, el equilibrio y la cooperación de los intereses en pugna; esperanza de unión al buscar el apoyo y la aprobación de la mayoría popular sin distinción de clases ni de creeds; y esperanza de progreso colectivo por el respeto a los derechos del hombre, venere inagotable de las energías creadoras del individuo.

Lo que lleva usted adelante por este recto camino, es garantía de buen éxito para lo que resta hacer; y es provechosa enseñanza para quienes buscan desorientados e extrañados la solución de los grandes problemas sociales.

Yo que he gastado los mejores años de mi vida y mis débiles recursos en procurar la solución racional y eficaz del problema agrario de mi país, de cuya solución dependen, a mi juicio, las destinas los demás, he recibido la esperanza al prever que el alto ejemplo que usted está dando al mundo, influirá poderosamente para que en México sean adoptados los principios y los procedimientos que, por feliz coincidencia, de la que me siento orgulloso, estimamos buenos de común acuerdo.

Y esta es la razón de mi complacencia y de mi cordial felicitación por el significativo y prometedor triunfo de usted. Que sea

para bien del pueblo mexicano y de la humanidad entera, como yo lo
desee y espere.

Esta oportunidad me proporciona la profunda satisfacción de
quedar como siempre de Ud. su affme. amigo y S. S.

Antonio Saldá

P.D. Escribí una conferencia sobre temas económicos sociales, en
relación con la campaña electoral, que tan gratamente acaba de ter-
minar, para que fuese radiada oportunamente en los E. U. de Améri-
ca; pero aconsejado por la discreta experiencia de nuestro común y
honorable amigo, no vacilé en renunciar a la realización de ese pro-
yecto, conformándome con que el mismo honorable amigo dé a conocer
a usted el texto de la conferencia cuando tenga el placer de verlo.

Saldá

Cortesía de Mr. Josephus Daniels

Mr.
Franklin D. Roosevelt,
Presidente de los Estados
Unidos de América.

Washington, D. C.

JD

EMERGENCY MAIL
UNITED STATES DEPARTMENT OF STATE

McCoid

DIPLOMATIC MAIL
FREE.

The Honorable
Franklin D. Roosevelt,
The White House,
Washington, D.C.

AIR MAIL.



EMBASSY OF THE
UNITED STATES OF AMERICA
México, November 18, 1936.

PSF
M... ..

file personal

Dear Franklin:

Once in the Navy, always in the Navy. I follow closely everything connected with it. I cannot tell you how much gratified I was this morning when the papers carried the news that you had appointed Charles Edison as Assistant Secretary. I sent him the following telegram:

"I congratulate you upon your appointment to the position to which President Roosevelt as a young man brought distinction. He set a high standard and I am sure you will measure up to your opportunity and responsibility. I can never forget the notable contribution your distinguished father made to Naval preparedness and the stimulus his genius, consecrated to patriotic service, gave to improved national defense. If it is given to those who have gone before to know what transpires in this sphere I know your appointment will gratify your father. My wife joins in love. Will call on you around the first of the New Year."

It is like going back to the old days when we called upon his father to act as head of the Naval Consulting Board, writing him "with your own wonderful brain to aid us, the United States will be able, as in the past, to meet this new danger (the submarine) with new devices that will assure peace to our country by their effectiveness."

The appointment is ideal. I have kept in touch with Charles since the days of 1915-19 when his father was in close collaboration with us. He was in Mexico. So was his mother on her second honeymoon journey. I think we had something to do with converting the Edisons to Democracy.

I am sure your going to Buenos Aires will have a good effect

The Honorable
Franklin D. Roosevelt,
c/o American Embassy,
Buenos Aires, Argentina.



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effect toward promoting the peace of the world. We are planning to come home for Christmas and look forward to seeing you Monday or Tuesday before Christmas.

Affectionately,

Joseph Daniels

P.S. I thank you for your letter of November 9th. I shall bear in mind what you say about Cardinal Mundelein and will talk with you about the matter when I am in Washington on the 21st or 22nd of December.

JD

P>F: Mexico

file
personal

DEPARTMENT OF THE
STATE
UNITED STATES OF AMERICA
Mexico, December 4, 1936

Dear Franklin:

The best part of your address at Buenos Aires was its climax in the sentence beginning: "But this faith of the western world will not be complete if we fail to affirm our faith in God". That appeal to Christian faith entered deep into the hearts of the people of the world (I have heard many expressions of its grateful reception here) - and will make a far stronger impression than the papers indicate.

In this connection I am venturing to suggest that at your inauguration you invite Cardinal Mundelein to offer prayer before you deliver the inaugural address. However, if you think it more fitting to have a minister or priest from your own State, I suggest that you invite Cardinal Hayes. I am moved to make this suggestion because the great loyalty to their party and their principles caused the large body of Catholic voters to turn a deaf ear to the pleas of Mr. Carmody of the Knights of Columbus, Bishop Kelley of Oklahoma, Father Coughlin and Al Smith to oppose your reflection because you had declined to support the Borah resolution to authorize a Congressional investigation into the religious conditions in Mexico. At one time I feared that the resentment toward the religious limitation here might enable them to stampede a large Catholic vote against you. I think that tide ebbed rapidly after the address by Cardinal Mundelein at Notre Dame. The vote showed that the attempt failed.

You will know better than I whether this suggestion is wise, and I submit my "hunch" for your consideration

without

The President,

The White House.

without any feeling that my judgment is as good as yours.

I expect to be in Washington on December 21st and 22nd and am writing to Marvin McIntyre to arrange an engagement when I can talk to you about one or two important matters.

With my affectionate regards to you and Mrs. Roosevelt, in which my wife joins, I am,

Faithfully yours,

Josephus Daniels

*file
personal*

*FSF Mexico
Mexico*

México, December 12, 1936.

Dear Franklin:

In my letter of November 17th I informed you that Governor-elect Aleman had called to invite me to go to Jalapa, the capital of Veracruz, to his inauguration, and that I had accepted his invitation. Upon the occasion of his visit I ventured to tell him what I had told President Cárdenas in my last conversation with him, to wit: That Veracruz is the show window of Mexico and that people arriving there from Europe or the United States would judge all Mexico by what first met their eye when they landed in this country, and that the fact that all the churches were closed made a very unpleasant appearance. You will recall that the President said that political conditions in Veracruz had been exceptional. There was long and bitter conflict between revolutionary leaders and the church, the political sentiment in Veracruz being more radical than in any other part of Mexico. He had added that I must have observed that in nearly every State in which a new Governor, in sympathy with his policy, had been inaugurated his taking office was soon followed by the opening of churches which had been closed and marked by a spirit of moderation. He added that a new Governor would be inaugurated in Veracruz on December 1st. The clear inference was that religious conditions in Veracruz would be moderated.

I was the guest of honor at the inauguration on December 1st, a special car being placed at the disposal of myself and my secretary and Señor Jacinto Hernández Barragan and Señor Antonio de P. Araujo, who had been designated to accompany us. We traveled over the government's narrow gauge railroad, and it was about as comfortable as a bunk in a destroyer.

The inauguration was in a magnificent natural amphitheatre.

The President,
The White House.

theatre. I was impressed by the differences between inaugurations here and in our country. There was music, an immense crowd, and the costumes of the women were picturesque and colorful in contrast with the plain white cotton garments worn by the thousands of campesinos (Indians) who carried banners. There was no prayer or minister. The Governor-elect read his inaugural while seated before a microphone and with little or no emphasis. He was not more impressive than our friend Landon. He was applauded only when he pledged himself to carry out the agrarian policy, protect the rights of the workers, and complete a highway from the city of Veracruz to Mexico City. He gave an outline of the historical background of the State which he said had first been invaded by the Spaniards, then the French at the time of Maximilian, and then by the Americans in 1847 and in 1914. He was quick to add that in these historical references he was not wishing to resurrect the ill feelings that existed then but to point out the true patriotism of the people of the State of Veracruz, who cherished the sovereignty of their State and realized its richness. He pledged himself to punish the parties responsible for the assassination of Deputy Altamirano who would have been Governor if he had not been assassinated in Mexico City. Some of the campesinos bore banners in the parade demanding punishment of Altamirano's murderers.

Speeches were made by the Speaker of the House, who presided, and by the retiring Governor, Lic. Herrera Tejada. Like the incoming Governor, both read their speeches into the mike, sitting down. The retiring Governor is an accomplished linguist. Of course he spoke in Spanish, but talked to me in perfect English and quoted in his address a remark I had made to him, to wit: "It is not so much what one hopes to accomplish in life, but one's determination to serve the common weal unselfishly".

Mr. Rodríguez, Secretary of President Cárdenas, represented the President. When he came to speak, he stood and made himself heard by the vast throng. I followed his example. I am enclosing a copy of my address. It is not the custom here to introduce any speaker. When his time comes, the presiding officer rings a bell and nods to the speaker who makes his address. It has its advantages and disadvantages. Unless the speaker is well known, the audience does not know who is speaking. You are in a position to know the disadvantages of introductions, having suffered many things at the hands of your introducers, as well also of your traducers. I do not suppose you ever had quite as strange experience as President Wilson when he spoke on Mecklenburg Declaration Day in Charlotte, North Carolina. The Mayor occupied twenty-five

minutes

minutes in introducing the President, and Wilson spoke only 18 minutes. The people murmured because Mayor Kirkpatrick spoke so long and also because Wilson's address was so brief. Mecklenburg Declaration speakers usually spoke an hour twisting the lion's tail and emphasizing that North Carolina was the first of the colonies to demand independence. You cannot do these two things, with the trimmings, in eighteen minutes. I have always thought Wilson was irritated by the over-long and highly laudatory introduction of the Mayor and purposely made a shorter speech than the Mayor. At any rate the Mayor never got over the criticism heaped upon him. He was a young man and was so enthused at the honor of introducing a President that I am sure he lost himself and did not realize until too late that he was violating the proprieties. My idea of the only proper introduction that should be given when the Chief Executive speaks is for the speaker to say:

"Ladies and Gentlemen - The President of the United States."

When Wilson made his historic speech to the officers of our Navy at Yorktown in the early days of the war, my introduction was:

"Officers of the Navy - Your Commander in Chief".

Jalapa is one of the oldest places in Mexico, the birthplace of its worst ruler, Santa Anna, and long an important place. Nearby Cortez won his earliest battles and it teems with historical incidents in its more than 400 years of existence.

After the inaugural ceremonies we were taken in a motor bus to Texolo Falls, which drop a distance of 250 feet and furnish power for the electric plant of Jalapa and other communities. It is one of the most beautiful water falls in Mexico. En route we passed through miles of orange groves, the trees loaded with the yellow fruit, and through more miles of coffee trees, all covered with red berries. It was a colorful vision, along with miles and miles of banana and cocoanut trees and sugar cane. You could almost reach out of the bus and gather all the food and drink you needed for sustenance.

One thing would have interested you: En route to Texolo Falls, a hacienda was pointed out. I was told: "Those old buildings were erected in the days of the Viceroy and every retiring Viceroy was required to live in them for six months after his term of office had expired. He was not permitted to return to Spain until the expiration of that period and during those days of observation

an inventory was taken of all his property and a survey of all his official actions was made. This was to prevent an ex-Viceroy carrying anything out of the country. Even so, Spain was much enriched by the exploitation of Mexico.

You would never have suspected, if you had observed the courtesies shown the American Ambassador, that in 1914 he had given the order to "Take the custom house at Veracruz". Among other evidences of courtesy, General Heriberto Jara, in command of the Federal forces of Veracruz, gave me a cordial invitation to visit him at his home in Veracruz. He was a revolutionary soldier encamped near Veracruz in 1914, and was fighting Huerta.

Time has healing qualities!

With my affectionate regards,

Faithfully yours,

Joseph Daniels

P.S.: I ought to add that I was invited to attend the anniversary exercises at the foot of the monument erected here to the honor of the Mexican cadets and other Mexicans who gave their lives when the naval forces "took Veracruz" in 1914, or rather in Mexican parlance of 1914 "to repel the invaders from the colossus of the North". Perhaps it was fortunate that there was some miscarriage of the invitation. It did not reach me until the morning after the exercises. My presence might have revived old feelings, but I do not think so.

JD



file personal *PSF Mexico*
inferred

DEPARTMENT OF STATE
WASHINGTON

December 22, 1936.

Dear Franklin:

There were so many things to talk about when I saw you on Monday, I do not recall that I emphasized as much as I intended the invitation sent you by President Cardenas to visit Mexico at the conclusion of Congress. You would be received by the President and the people of Mexico with more, if possible, warmth and enthusiasm than you received in your history-making trip to South America. President Cardenas feels, as I told you, that ^{your} the policy of giving a better chance to the average man has had a helpful influence in the same direction in his and all other Pan American countries.

Faithfully,

Josephus Daniels

The Honorable

Franklin D. Roosevelt,

The White House.

DEPARTMENT OF STATE

DIVISION OF MEXICAN AFFAIRS
MEMORANDUM

PTF
Mexico

of his in order to comply with the State Department's
putting a limit on the amount of December 29, 1936.
visual may own.

Dear Judge Moore: dated December 18, 1934, the American

The records of the Department of State show that
Mr. W. R. Hearst, during the period from 1886 to 1897,
acquired by purchase what is now known as the Babicora
Hacienda, situated near Madera, Chihuahua, about 150
miles southwest of El Paso, Texas. This property is
made up of several cattle ranches and comprises about
1,000,000 acres. Some time after 1897 and prior to 1905
the late Mrs. Phebe A. Hearst, the publisher's mother, ac-
quired this property from her son.

In 1905 the Babicora Development Company, an American
Corporation, was organized under the laws of the State of
California and took over the 1,000,000 acres. Mr. Hearst
is the principal stockholder of this corporation of which
Edward H. Clark is the President.

In a despatch dated December 22, 1934, from the Embassy
at Mexico City, Ambassador Daniels reported that the Hacienda
is owned directly or indirectly by Mr. Hearst and that about
1931 it was divided up by Mr. Hearst among various relatives
avoiding expropriation proceedings under the provisions of
of

of his in order to comply with the State law of Chihuahua putting a limit on the amount of land which any one individual may own.

In a despatch dated December 12, 1934, the American Consul at Ciudad Juarez stated that a number of Mr. Hearst's relatives were deeded sections of the Hacienda even before the Babicora Development Company was organized in 1905.

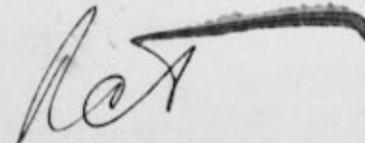
The Department's records show that the Babicora Development Company experienced difficulties with the Mexican agrarian authorities in 1928 and 1929 when efforts were made to expropriate a portion of the Hacienda. The records further show that Ambassador Morrow made informal representations on behalf of the Company in July 1929, and apparently succeeded in postponing the proceedings. These representations were made under instructions from the Department. However, in 1934, 2,390 hectares of land belonging to the Babicora Hacienda were expropriated by the Mexican Government. Ambassador Daniels made informal representations to the Mexican Agrarian Department on behalf of the Babicora Development Company concerning this expropriation, but without results. According to recent press reports, Mr. Hearst has at various times deeded lands to Mexican agrarians, thus avoiding expropriation proceedings under the Agrarian Code.

HEARST

HEARST PROPERTY IN CAMPECHE

According to despatch No. 3435 of April 1, 1936, from the American Embassy at Mexico City, Mr. W. R. Hearst is the owner of about 500,000 acres of land situated in the northwestern portion of Campeche, Mexico, near the Guatemalan border. This property is being exploited for chicle, with an annual production of some 100 or more tons. The product is sold to the Wrigley Company. I have been unable to find any information in our records indicating when Mr. Hearst acquired the land in question. It is my understanding, however, that this land is at present being operated for Mr. Hearst by the Laguna Corporation, an American firm having general offices at 55 Liberty Street, New York City, and the owner of about 600,000 acres of land adjoining the Hearst property.

I am unable to find any record in the Department of Hearst properties in Mexico other than those mentioned above.



R. C. Tanis,
Acting Chief.

PSF 112100

DEPARTMENT OF STATE

ASSISTANT SECRETARY

Mr. President,

This is the thing that is
by issue.

I am mistaken in saying
that Cuba will ship
from Mexico - the exports
to ships from New York.
It is all right for you
to announce your construction
applicants.

Very truly,
Sincerely,
Sincerely,

DEPARTMENT OF STATE

FOR THE PRESS

January 3, 1937

The Acting Secretary of State, Mr. R. Walton Moore, this morning stated to the correspondents that the Government of Mexico has determined that airplanes of American make shall not be shipped from that country to Spain. He quoted from a statement received/January 2nd by the American Embassy at Mexico City from the Mexican Foreign Office as a statement from the Government of Mexico to the Government of the United States with permission to publish. The statement reads as follows:

"The Government of Mexico has indeed supplied war materials of its own manufacture to the Government of Spain; however, with regard to war materials of foreign origin it has been its unalterable position that it would not serve as intermediary if the Government of the nation concerned did not furnish its full consent thereto. Firmly in accordance with this line of conduct, the Mexican authorities will not permit airplanes or any other war material whatever coming from the United States to be sent to Spain through Mexico, even in the case of acquisitions made by corporations or private parties."

The Acting Secretary of State said that the action of the Mexican Government is a voluntary and most friendly recognition of the non-interference policy of the Administration and not the result of any protest made by the United States. "In fact", Mr. Moore said, "There is no ground on which we could have legitimately protested, since there is no treaty provision that applies and no statute to which we could point. The American policy is simply the President's announcement of the Government's attitude and an appeal to the

the people of the United States to refrain from any direct or indirect participation in the bloody Spanish civil war now in progress. The law does not equip the President with authority to enforce the policy or punish its violation."

January 16, 1937.

MEMORANDUM FOR ASSISTANT SECRETARY MOORE:

I have read with some surprise the memorandum of December 30th, sent to you from the Division of Mexican Affairs. It does not represent the policy of the government.

First the Ambassador to Mexico states that the statement on February first concerning President Cardenas' attitude is not verbally correct.

Secondly, the statement at the bottom of page 1 and at the top of page 2 that the United States cannot acquiesce in the expropriation of lands of Americans unless compensation based on the actual loss to the owner is paid, represents perhaps his^o policy of many years ago but certainly not the policy of today.

Finally, the suggested instructions to the Ambassador at the foot of the page are also wholly out of line with present policy.

I think our policy can best be stated as follows:

"In the matter of expropriation of American owned property of any kind in any foreign country the United States expects prompt and effective compensation to be paid to the owners on not less than the same basis that payments are made to the nationals of the country making the expropriation."

Please inform the Division of Mexican Affairs and all other Divisions of the State Department of this policy.

(Signed) Franklin D. Roosevelt

x146
x20
x237
xPP786
xPP7359
x1414
x146-A

DEPARTMENT OF STATE

DIVISION OF MEXICAN AFFAIRS

MEMORANDUM

December 30, 1936.

Dear Judge Moore:

I refer to despatch 4171 of December 16, 1936, from Ambassador Daniels, regarding his recent conference with President Cardenas, concerning the religious situation in Mexico, the expropriation law, agrarian and other matters. It is my understanding that the despatch has recently been sent to your office by Mr. Hackworth.

I would invite your attention to pages 6, 7, and 8 of the memorandum accompanying the despatch respecting the situation in the Yaqui Valley. It appears that President Cardenas is determined to expropriate portions of the farms of about one hundred or more American farmers in that Valley. On page 8 of the memorandum appears the following statement concerning President Cardenas' attitude:

*from
referred
not*

" *** if President Roosevelt insisted on it the Mexican Government would wish to make any settlement that he desired with regard to the Yaqui Valley in order to save him from embarrassment and difficulty in the United States."

Some time ago we took the position in instructions sent to Ambassador Daniels that the Department cannot

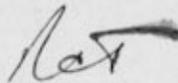
acquiesce

*This is very
to me. I have asked
Ambassador Daniels to
consider a talk
with President
Roosevelt*

acquiesce in the expropriation of lands belonging to American citizens unless prompt and effective compensation based upon the actual loss to the owner is to be paid.

Concerning the threatened expropriation of Yaqui Valley lands belonging to American citizens, it seems to me that earnest and careful consideration should be given to the advisability of requesting the President to authorize the Department to instruct the Ambassador to advise the President of Mexico in due course along the following lines:

The President cannot regard without deep concern the continuance of a policy in Mexico which amounts virtually to confiscation of American-owned lands. While the President would have no objection to a settlement of the specific case of the Yaqui Valley problem along the lines of a plan acceptable to the American landowners in that area, he sincerely hopes that not as a favor but as a matter of right from now on there may be a cessation of expropriations of American-owned lands in Mexico unless prompt and effective compensation based upon the actual loss to the owners of such lands is to be paid. The President also anticipates that arrangements will shortly be made by the Mexican Government for the effective compensation of American citizens who have already been deprived of their property.



R. C. Tanis,
Acting Chief.

file 812.52/2075

File
Personal

México, February 8, 1937.

PERSONAL.

Dear Franklin:

In view of our conversation in Washington and my profound interest in the reforms which have been blocked by majority decisions of the Supreme Court, I could not refrain from sending you a telegram of congratulation over your message to Congress. I have just had the opportunity of reading the message. You have presented the plan in a way that will be convincing to all who feel that the conditions demand that something be done now to secure the measures for which the people voted in November. As now constituted it is practically certain that all New Deal legislation needed would be declared unconstitutional by the majority of the Court. Either you would be thwarted at every step or some way found to carry out the pressing reforms.

I think we are in accord in the belief that the Supreme Court has no right either in the Constitution or the laws to annul an act of Congress. If that assumed authority could be withdrawn without delay, and such withdrawal be acquiesced in by the Supreme Court, it would be the most desirable method. Both of us feared that this course would mean delay when time is of the essence if the legislation enacted and held up and that which is imperative is to have free course in the next two or three years.

I had a talk with Mr. Lowell Mellett, editor of the Washington News, who has been here some days, before you made public your plan. Of course I gave no hint of what you had in mind. We both felt that action was imperative and ought not to be delayed. He thinks we must go to the root of the matter and find a way to end the Supreme Court's veto on legislation. His view may be thus summarized:

"The

The President,
The White House.

"The argument in favor of the Supreme Court passing on the constitutionality of laws is that 'somebody must make the final decision'. It always boils down to that. The answer is that it cannot be any one of the three equal branches of the government, if they are really to be equal, since this is a supreme power. Then who or what? The people. How? Just as now. The people pass on the acts of Congress continually, not only every two years. The people can reach Congress all the time. True, the people make plenty of unwise decisions, although hardly as many as the Supreme Court. The people pay for the mistakes made by the Court now; it would be better to have them pay for their own mistakes; there would be more education in that, more education in democracy."

After the gist of your recommendations reached Mexico Mr. Mellett expressed the opinion that your proposals very likely constituted the best course of action, under all the circumstances. He thinks you will succeed in obtaining the changes and that the changes in procedure are unquestionably within the power of Congress to make. He added that in the course you are taking you have given the people an understanding they never have had as to just what rightful powers the courts possess and should be allowed to possess. He is of the opinion that this may make much easier the next step,- the restoration of final power to the people, i.e., power the people lost when it was assumed by the Supreme Court.

I have always held with Jefferson and Jackson that the three departments of government were created separate and that the assumption by the Supreme Court to declare acts of Congress unconstitutional gave the judiciary power to destroy the equal powers of the other two branches of government. You will recall that Thomas Jefferson in a letter to Thomas Ritchie in 1820 wrote:

"The judiciary of the United States is the subtle corps of sappers and miners constantly working under ground to undermine the foundations of our confederated fabric. .. Having found from experience that impeachment is an impracticable thing, a mere scare-crow, they consider themselves secure for life; they skulk from responsibility to public opinion, the only remaining hold on them, under a practice first introduced in England by Lord Mansfield. An opinion is huddled up in conclave, perhaps by a majority of one, de-

livered

"livered as if unanimous, and with the silent acquiescence of lazy or timid associates, by a crafty chief judge, who sophisticates the law to his mind, by the turn of his own reasoning. ... A judiciary independent of a King or an executive alone, is a good thing; but independence of the will of the nation is a solecism, at least in a republican government."

I even go so far as to agree with Jefferson's belief that judges ought to have commissions limited to six years. In North Carolina the term is eight years. Its practical working is that nine times out of ten a judge is re-elected until he is retired, but it leaves in the hands of the people the power to decline the continuation of a weak or bad judge on the bench. Life tenure tends to disregard of public opinion and to inefficiency. We found in the Navy that promotion by length of service gave timid Admirals priority over men of initiative and great ability. Unless there is a test from time to time, and the public service is rid of men who do not grow, inefficiency is inevitable. I am not suggesting, of course, that legislation should be sought now to limit the term of Federal Court Judges. That would be digging up more snakes than could be killed in the next few months. What with both judicial and executive reorganization on your hands it is far from my thought that so debatable a question as a six or eight year term for judges should even be discussed now. But unless the courts cease being the bulwark of privilege, that reform will surely come.

I suppose you have read "The Nine Old Men". It is rough in some places, but its inside history of how the Fourteenth Amendment was wrenched by the Supreme Court from its purpose of protecting the enfranchised slave to enabling the monopolies to dominate the country is admirably told. If you have not read that chapter, you will find it illuminating.

I believe the rank and file of the people and many lawyers of wisdom - not the corporation lawyers who get rich under the present system - will hold up your hands in this conflict reminiscent of the days of Old Hickory.

With my affectionate regards,

Faithfully yours,

Joseph Daniels

P.S.

P.S. I am enclosing a copy of an editorial, written by my son Jonathan, that appeared in the News and Observer the morning after your message to Congress. After reading it I am sure you will agree with me that Jonathan is "a block off the old chip".

JD

AIR MAIL



*File
Personal*

EMBASSY OF THE
UNITED STATES OF AMERICA

*PSF
Mexico*

México, February 10, 1937.

Dear Franklin:

I am enclosing you a copy of a message I have just sent to the Secretary of the Navy. I venture to hope that you will feel that the recommendation made in this letter is justified and will give it your approval. You will recall that when we came to name the dreadnoughts authorized in what was first called the five-year program and afterwards reduced to the three-year program, one of the dreadnoughts authorized was named the NORTH CAROLINA and its construction was begun in the Norfolk Navy Yard. It was nearing completion when the Washington Conference met and that Conference, as you know, agreed to scrap a number of our dreadnoughts under construction and, although the NORTH CAROLINA was nearly completed, our Government agreed that it should be scrapped. My State, therefore, suffered the loss of having a dreadnought named in its honor.

You will observe in my letter to Secretary Swanson I said that my understanding was that North Carolina is one of the few States in the Union and the only one of the original thirteen for which a dreadnought put in commission had never been named. I prize highly the beautiful picture of the NORTH CAROLINA constructed in 1825 which you had painted for me and gave me as a Christmas present in the early days of our association in the Navy Department. I shall hope one day to hang beside it a picture of the new NORTH CAROLINA dreadnought constructed under your administration.

You may be interested to know that I was present in Washington as a newspaper man at some of the sessions of the so-called Disarmament Washington Conference when Harding was President. I heard Secretary Hughes in his much vaunted speech agreeing to scrap a number of dreadnoughts, and at the same time Mr. Balfour agreed to scrap an equal number of blueprint ships for the British Navy. There was much applause, particularly in the

press

The Honorable
Franklin D. Roosevelt,
The White House, Washington, D.C.

press gallery at what was called Hughes' generous offer. But while Bryan and William Allen White and Mark Sullivan were applauding, I kept my seat. I was also present at the conference when final action was taken approving the attitude of our Government in agreeing not to complete the dreadnoughts under construction. My journalistic friends were most enthusiastic and I think Mark Sullivan said it was the greatest event of the decade. When I refused to rise and applaud with the crowd, Bryan said:

"Get up Daniels. This is one of the greatest movements for peace in the history of the world."

I replied:

"Bryan, I have no heart to applaud at my own funeral."

Subsequent events showed that Hughes either thought scrapping the dreadnoughts was enough to bring about what he desired or did not know that the dreadnought was only the most powerful ship that made up the units of an effective fleet. We quit building and England and Japan rushed ahead its cruisers.

Of course I would not make a suggestion to you that you do anything showing favoritism to North Carolina. But I think the fact that we have never had a battleship named for our State except the one that was never completed would be regarded by the whole country as justification for the request I am making.

Always faithfully yours,

Joseph Daniels

México, February 10, 1937.

My dear Mr. Secretary:

I earnestly hope when the time comes to name the two new dreadnoughts, whose construction has been authorized, that you will name one of them the NORTH CAROLINA. My understanding is that North Carolina is one of the few States in the Union and the only one of the original thirteen which has not been honored by naming a battleship for it which was put into commission. The photographs in your office and in the office of the Commandant at the Norfolk Navy Yard will show that the dreadnought named NORTH CAROLINA authorized in the three-year building plan which you piloted through Congress was nearing completion when it was scrapped by the Washington Conference. I recall that Governor Bickett visited the Norfolk Navy Yard and went over the ship and our State was very proud that at last one of our greatest fighting ships was to bear the name NORTH CAROLINA.

In view of the honors done other States and not given North Carolina by the completion of a battleship bearing its name, and in view of the fact that it is one of the few States that has always been for a strong Navy, I feel sure you will agree with me that one of the new ships should be named for your neighbor State of North Carolina.

With sentiments of esteem and high regard, and sincerely trusting that you will feel that the suggestion I make is sound, I am,

Sincerely your friend,

JOSEPHUS DANIELS

The Honorable
Claude A. Swanson,
Secretary of the Navy,
Washington, D.C.

JD:VK

File
(Confidential)

PSE
Mexico

DEPARTMENT OF STATE
WASHINGTON

April 26, 1937.

Sumner Welles

My dear Mr. President:

I am enclosing herewith a summary of an instruction sent by the Secretary of State to Ambassador Daniels under date of April 16th which I think you will wish to read before you receive the Mexican Ambassador at noon today.

The purpose of the Mexican Ambassador's visit is to communicate to you a message from President Cárdenas stating that the civil war in Spain is becoming so prolonged that the policy of the Mexican Government in preventing the transshipment from Mexico to Spain of planes purchased in the United States by private individuals in Mexico can perhaps no longer be pursued.

The Mexican Ambassador has told me for my confidential information that he fears that the President of Mexico has been misled with regard to some of the transactions undertaken by "private individuals in Mexico"

and

The President,

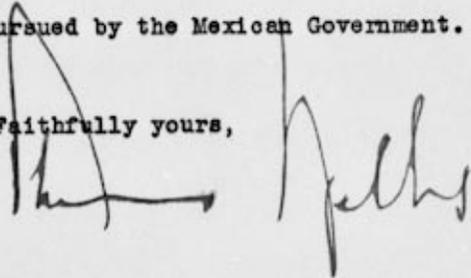
The White House.

and is most decidedly in accord with the views expressed by the Department of State that the prior assurances given by the President of Mexico should be maintained.

The Ambassador feels that his conversation with you will help him by strengthening the representations he is making to his Government that the assurances given must be lived up to and that there should be no change in the policy so far pursued by the Mexican Government.

Believe me

Faithfully yours,

A handwritten signature in dark ink, appearing to be 'A. Phelps', written in a cursive style. The signature is positioned to the right of the typed phrase 'Faithfully yours,'.

MEMORANDUM

1. I do not feel that I can properly express any opinion, much less express objection, in regard to any decision that the Mexican Government may wish to make concerning planes which it purchased in the United States for its own use before the outbreak of the present civil strife in Spain.

2. I cannot modify the position which I have consistently taken in regard to planes recently purchased in this country by agents of the Spanish Ambassador in Mexico. For this Government to take any action to facilitate the transshipment of those planes to Spain would be tantamount to its aiding and abetting the violation of our own laws.

Shortly after the outbreak of the present civil strife in Spain, I publicly expressed the hope that American exporters

porters would not export arms to Spain. This policy was enacted into law on January 8. In the interval, the information which I had received to the effect that Spanish agents were actively purchasing arms in Mexico caused me to scrutinize with particular care all applications for export licenses for shipments to Mexico. In every case of a proposed exportation of a plane, I required assurance from the prospective exporter that Mexico was, in fact, the ultimate destination. In addition to specific assurances received in particular cases, I received reiterated assurances from ~~your~~ ^{the Mexican} Embassy here that the Mexican Government would not sanction any violation of our expressed policy in regard to the exportation of arms to Spain.

The assurances of the Mexican President were first made and publicly announced before this policy had been enacted into law. I could not view with equanimity any weakening of those assurances. In view of the wide publicity given

to

to the President's reiterated assurances, the transshipment of American planes to Spain would be widely reported and commented on in the American press with probable accusations of bad faith, and the necessity of preventing further violation of our law in respect to indirect shipments to Spain would seriously interfere with all exports of arms to Mexico.

Six of the planes which the Spanish Ambassador now desires to transship from Mexico to Spain were exported under a license granted on December 17, 1936, at the specific request of ^{the Mexican} your Embassy expressed in notes dated December 12 and December 15. These notes stated that the planes were for the use of Compania de Transportes Aereos del Pacifico for operation on Mexican territory. The contract signed by Cia de Transportes with the seller of the planes contained the clause "the purchaser covenants and warrants that the aircraft to be delivered to it under this agreement are intended for commercial use on the lines operated or to be operated by it in the Republic of Mexico". Nevertheless, the planes were sent directly to Veracruz for transshipment to Spain.

Three of those planes were smuggled out of the United States in December by Fritz Bieler, an agent of the Spanish Ambassador, in flagrant violation of the law requiring export licenses.

Four of these planes were smuggled out of the United States in December and January by persons as yet unknown to me.

Two were exported under licenses issued on December 12 and December 15 respectively. Both were consigned to Colonel Fierro, who represented to the sellers that they were for "personal use" and for "commercial flying" respectively.

Two were exported under licenses issued on December 8 and December 23, respectively. They were consigned to Colonel Alfredo Lezama Alvarez, who represented to the sellers that the former was for air line operation in Mexico and the latter for his own use for photography in Mexico.

3. If any of the planes which the Spanish Ambassador proposes to export from Mexico to Spain were exported from the United States to Mexico before the outbreak of the present civil strife in Spain and, after use in Mexico, were resold to the Spanish Ambassador or his agents, a reexportation would not constitute a transshipment or involve any violation of our law. Therefore, I am not in a position to express any objection to the reexportation of such planes.

Department of State,

Washington,

file private

State Dept
RSE
Mexico

DEPARTMENT OF STATE
WASHINGTON

August 17, 1937

My dear Mr. President:

With reference to the rumors which have been reaching us from time to time during the past year that Japanese emigrants have been going to Mexico in increasingly large numbers (some reports even placing the total number of Japanese in Mexico at 100,000), the American Consul General in Mexico City was instructed to make a confidential survey and to submit his estimates to the Department.

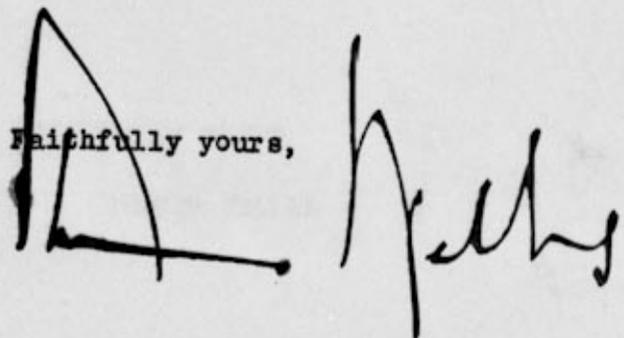
I have now received the Consul General's report, the summary of which I quote:

- "(a) Estimated number of Japanese in Mexico, 5,300
- "(b) Estimated number of Japanese in Lower California, 1,650"

This information has been communicated to the War Department.

Believe me

Faithfully yours,



The President,

The White House.

*file
Mexico*

Memo from Woodring

Sept. 8, 1937.

Subject---Japanese Nationals in Mexico and
reported movement of Japanese to lower
California and the West Coast of Mexico.

SEE--Woodring Folder--Drawer 2--1937

October 7, 1937.

Dear Chief:-

I put to good use those two
delightful stories you wrote me.

This has been a wonderful trip
and has, I think, been productive of much
good even in the East because the newspaper-
men, who nearly all represent "fat-cat"
hostile papers, have had to comment on the
crowds and the enthusiasm.

As ever yours,

Honorable Josephus Daniels,
American Embassy,
Mexico.

(Enclosure) Copy of the President's speech at
Fargo, North Dakota.

North Dakota

Mexico, September 14, 1937.

PERSONAL

Dear Franklin:

Writing you from Ireland, following my letters from Paris and London, relating the impressive ceremonies at the dedication of the monuments and chapels in memory of Americans who fought and died in the World War, I am back in Mexico taking up the threads of the matters that concern our two republics.

In Paris, when our delegation attended a garden party given by President Le Brun, he said: "You are now in Mexico." I replied in the affirmative. He said: "You are on a hot spot". I answered by saying that considering the critical situation in Europe and Asia, I was inclined to believe that I was in now one of the quietest countries of the world. It is hard for Europeans to think of Mexico as other than a place that grows cactus, bandits and produces silver and oil for their enrichment. Many of them still think they might be scalped in the United States if they ventured west of the Mississippi, so little is known of us. President Wilson illustrated this by an incident in his own experience, when he was President of Princeton and he and his family were spending the summer in a place in England. They had learned to love. One Sunday morning they were told that "the Bishop of North Dakota will preach in the village church today", so Wilson and his wife attended. After the litany, the rector said: "We are to have the pleasure today of hearing a sermon by the Bishop of North Dakota", and thinking his congregation might not know the geography of North Dakota, informed them by saying: "North Dakota is one of His Majesty's colonies".

The more I go away from home, the more I am convinced that the failure of people to understand other countries is

due to

The President,
The White House,
Washington, D. C.,

due to the failure of men of my profession to convey the news fully and fairly. There has been improvement in recent years, but even yet in the United States and in Europe people think of Mexico in terms of revolutions and exploitations, and many Mexicans think of the Al Capones and racketeers as representing a very large part of our population. Who is responsible? Largely the newspapers which run to sensationalism in their news.

I recall an incident of such misunderstanding that came under my observation not long ago. One morning a Mexican merchant called at the Embassy with a letter of introduction from my friend, Mr. Mijares Palencia, the Governor of Puebla at that time. "The Governor told me you would tell me the truth," he said. "I have some business which takes me to the United States. After I decided upon the trip, my wife and daughter decided they would like to go with me and visit the Chicago Exposition. What I have come to ask you is, 'Do you think it would be safe for me to take my wife and daughter to Chicago?'" He was quite serious. All he knew of Chicago, outside of the Exposition, was the sensational doings of the racketeers. Before answering his question, I rang for my stenographer and said, "Bring me the letter I received last week from Mr. J---- of Chicago". She did so, and I read it to my Mexican caller. It was as follows:

"I am contemplating a business trip to Mexico shortly. Do you think it would be safe for me to bring my wife and daughter to Mexico?"

My caller was astonished that any American should deem Mexico unsafe. I then said to him: "I will give you the same answer that I gave to the Chicago gentleman: 'Your wife and daughter will be as safe with you in your trip to Mexico as they are in Chicago'. Go in perfect assurance to Chicago that your wife and daughter will be as safe in Chicago as they are in Mexico." He was satisfied, made the trip, and upon his return reported that he had found Chicago a delightful city and that he and his wife and daughter greatly enjoyed themselves. Later my Chicago friends came to this city for a two weeks' trip and were so intrigued with all they saw that they extended their visit to a month.

I return here to find Mexico beautified after the summer rains, and the people busy and looking hopefully for the continuance of the progress and the greatest diffusion of the fruits of industry that has been witnessed in recent years.

The chief

The chief cloud in the skies is the strike and aftermath of the strike in the oil fields. All labor and industrial troubles in this country are aggravated by the fact that the big employers are mostly foreigners, and the workers are Mexicans, many of them illiterate. Pearson of England, and Doheny of the United States were pioneers in the oil fields in Mexico, and obtained the very rich oil fields in the regime of Diaz, paying little for it at a time when the Mexicans had no conception of the value of the land. Many believe these foreigners bribed officials in the Diaz Government. However that may be, the oil producers have taken many millions in profits, paying starvation wages and little in taxes until the Carranza rule.

Some months ago the workers in the oil fields made a demand for increased wages and better working conditions, coupled with other demands which were regarded as fantastic and impossible. As a consequence, the production of oil was so greatly reduced that some American tourists returned to the United States because of the difficulty in obtaining gasoline. The owners of the oil fields (mainly British and Americans) said the demands were absurd and that if granted, would deny them (the companies) any profits in their operations. President Cardenas appointed a Board of three of the most trusted experts in the Government to make an investigation of the books of the oil companies to ascertain if their income would justify the increase in wages. They reported that the oil companies were making large profits and could well afford to meet the request for the large increase in wages et cetera. The oil companies countered by denying the correctness of the statements and the figures of the Mexican experts. Shortly before I arrived, at the request of President Cardenas, representatives of the oil producers and workers met to talk over the situation. These discussions were proceeding on my arrival.

Hardly had I unpacked than the newspaper men called and pounded me with questions. I told them that I was glad to know that both parties were discussing their differences, and that I had found that frank discussion often led to a compromise or agreement. In response to questions I said that the attitude of our Government was a feeling that there should be no departure from the so-called Morrow-Calles agreement

which

which had been five times approved by the Mexican Supreme Court. (That is Hull's position). This statement seems to have found favor both with the oil producers and some officials of the Government, and I hope and believe that an agreement will be reached, giving substantial increases to the workers. In view of the fact that 13,000 out of the 18,000 oil workers get only 3 1/3 pesos a day, and some only 2 2/5 pesos a day (a pesos is equivalent to 28 ¢ U. S. Cy.) the workers should receive larger compensations, and the companies are undoubtedly able to pay some increase. The Mexicans believe that, inasmuch as the producers sell their product in pounds and dollars, they ought to be paid as much as the oil workers receive in Texas, and they keep posted to a cent what similar workers are receiving in oil fields in all parts of the world. The producers say the workers here are not as efficient as those in our country, and they are undoubtedly right about that. They further think that if they pay more than the average received by workers in other industries in Mexico, nothing more should be expected of them.

As I see it, both sides have bungled the negotiations, but they now seem to be getting down to rock bottom. I have strong hopes that the parties will reach a fairly satisfactory solution without the necessity of our making representations other than my statement of our views in my interview. The unfair stories that appear in some of our papers stand in the way of success. For example, in a late issue of News Notes, Raymond Moley predicts dire happenings and revolutions in Mexico, adding:

"Besides, the eyes and ears of our Government refuse to see or hear evil. Ambassador Daniels, a sterling oil Jeffersonian, firmly believing Roosevelt to be a modern Jefferson, sees Cardenas only as a Mexican Roosevelt - which to him means that all's well in Mexico."

Moley evidently gets his impressions from American oil interests which despise the Good Neighbor policy and believe in the Dollar Diplomacy which denied us the confidence and friendship of all the countries South of the Rio Grande. My reports to the State Department do not

bear

bear out Moley's saying that I think "all's well in Mexico." I faithfully report conditions as they are. They are neither all white nor all black. Newton Baker once said to me of his wife: "You know, Bess does not know there are more than two colors - everything is either all white or all black." That is the way of the Moleys and others who get only one side. You and I know that no country is either all white or all black.

The truth is that the whole oil history here has not been one to cause Mexico to feel that the oil producers have treated the country justly. At present the Government gets much revenue from oil and would be injured in its financial operations if the oil tax did not come in regularly. The oil men use the Government's necessity as their best card, and it was that fact which caused them to threaten to cease production if the full demands of labor were approved. I have regarded such threat as a bluff. Whether so or not, it was resented. The Mexicans know that the oil supply will not last forever and they are resolved to get what they think is a fair share of the income from oil for their workers and for the Treasury, while production continues. And in this, they are well within their rights, and there is nothing in the Calles-Morrow understanding in the way of better wages and a considerable tax on production or royalty. We cannot object to such course on their part.

Having made big money on absurdly low wages from the time oil gushers made Doheny and Pearson rich, all oil producers oppose any change in tax and wages, and resent it if their Governments do not take their point of view. Mexico can never prosper on low wages and we must be in sympathy with every just demand.

Much of the trouble here arises from the leaks in government circles. Officials do not finish discussing proposed policies before even the most tentative suggestion touching oil reaches the foreign oil producers. It is believed they have underground methods of obtaining inside information. For example, in one of the departments, there was a proposal that a royalty tax on oil and gas sold in Mexico be levied. Before the head officials had reached any conclusion, some of the oil men told the press that the Government had determined to impose a heavy royalty tax in addition to the production tax.

I need not tell you that as a rule the oil men will be satisfied with nothing less than that the United States

Government

Government attempt to direct the Mexican policy for their financial benefit. They are as much against fair wages here as economic royalists at home are against progressive legislation. They would like to have an Ambassador who would be a messenger boy for their companies, and a Government at Washington whose policy is guided by Dollar Diplomacy. No matter what their attitude is, our course is to seek in all proper ways to aid American investors in securing just treatment, and protest if there is denial of justice.

With my affectionate regards to you and Mrs. Roosevelt,
I am

Faithfully yours,

Joseph Daniels

file personal PSF Mexico
(1)

México, October 8, 1937.

PERSONAL.

Dear Franklin:

Inasmuch as the Nine Power Treaty was signed at Washington, and was the only thing that looked toward peace emanating from the Washington Conference, would it not be better to call the Conference at Washington? We are not in the meshes of European political tangles and alliances as is the case with every important European capital and all is "quiet along the Potomac". At Washington the atmosphere would be free from ancient quarrels and modern jittery complexes. Moreover, if the representatives of the signatory powers were meeting in Washington it would enable you to see how public opinion reacted upon the various proposals, for, after all that is said and done, Public Opinion is the King in our country.

When and if you and Hull and the Cabinet are clear as to the course you think should be pursued, would it not be well to call Congress in session to pass upon the policy our Government should adopt? You naturally wish Congress to meet so that the ever normal granary legislation, somewhat along the line of the AAA, can be enacted before the crops are planted. Shortly the farmers must make arrangements and begin to prepare for next year's crop. If Congress is called chiefly for the imminent duty of dealing with the serious question of how to make the Nine Power Treaty more than a scrap of paper, you will silence carping critics who are opposed to a special session. Congressmen would be in Washington to pass on the foreign questions and while the Foreign Affairs Committees discuss the action you will recommend, the

Agriculture

The President,
The White House,
Washington, D. C.

Agriculture and Labor Committees can press for the passage of the needed legislation. Inasmuch as the opponents of this reform legislation will undoubtedly carry the new legislation to the Supreme Court (thank Heaven and you there will be no intolerable delay) and by enacting these measures early a decision from the court should be had in the first weeks of the New Year. If the people are thinking about the Japanese-Chinese war and how to prevent a return to agricultural depression they cannot paramount the Black discussion.

My wife joins me in affectionate regards to you and Mrs. Roosevelt.

Faithfully yours,

Joseph Daniels

P. S. There have been decisions and opinions of the Supreme Court with which we have not been in accord. But one was sent to me a few days ago by a great judge, Hon. Harlan F. Stone, with which you and I will be in hearty accord. Our son, Dr. Worth Bagley Daniels, was Justice Stone's physician when he was so ill last winter. At that time I told Worth - "For Heaven's sake cure Justice Stone even if you have to neglect other patients. The country could spare some other judges with equanimity but not Stone." Last week I had a letter from Justice Stone from which I quote this extract:

"Mrs. Stone and I are devoted to your son, whose skill, resourcefulness and untiring zeal carried me through a very severe and difficult illness last month."

I know you and Mrs. Roosevelt will share our pride in our doctor son, for we all know that the achievements of our sons bring more happiness than comes from any other source.

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personal*

México, November 8, 1937.

PERSONAL.

Dear Franklin:

I have been disturbed in my mind over the organized propaganda set on foot by the railroads, and, of course, urged by the big papers, which unfortunately are too often the mouthpiece of privilege. Of course, the prosperity and efficiency of the railroads is of prime importance in transportation and in national stable investments. All encouragement and help should be given them in line with your address in the campaign of 1936 and with the policies of your administration and I am sure will be continued by you.

But, what troubles me is that they are not satisfied with the remarkable recovery that followed your election, but seem bent on earning dividends on many million dollars of watered stock that has been floated. In the time of the depression, the value of these stocks containing nothing of real value, went down and it looked as if the water had been squeezed out so that with returning prosperity the railroads would be permitted to earn fair returns on the actual investments in money, minus the phantom stocks. However, it now seems clear that the railroads, owned or controlled by the big banks, are resolved to impose high enough rates on passenger and freight traffic to pump value into the stocks representing nothing of value. I hope the Interstate Commerce Commission, while responding to pleas for rates that give value to money invested, will turn a deaf ear to the propaganda for rates to convert water into gold, a revival of the ancient plan to convert base metal into gold.

Some

The President,
The White House,
Washington, D. C.

Some years ago the Government spent millions of dollars, under the resolution of the elder La Follette, to ascertain the replacement cost of railroads. It seems he had the mistaken notion that rates and taxes ought to be based upon replacement value. I do not think anything practical ever came out of that vast expenditure.

The only true basis of returns on railroad investment should be the ascertained actual money that went into the construction of railroads. It would be well if you could secure that information and compel passenger and freight rates to be fixed so as to give good return for cash investment, but not one cent on phantom stock. It is a big order but if carried out by a commission having control of water, rail and air transportation could, in the long run, benefit the country and all the people except those who insist upon converting water into gold.

Many years ago, when railroad officials denied the right of governmental regulation of transportation companies, I led a fight to establish a railroad commission in North Carolina. We won on the second go round, but on the selection of the commission the railroads got one railroad man and two who did so little the railroad commission was dominated by the railroad man and made into a Do Nothing body. That has happened too often in State and Nation. I hope you will have power, under a sound Reorganization policy, to prevent the consummation of the present propaganda.

Faithfully yours,

Joseph Daniels

Will you give this to me at
the 3.15 P.M. conference?

F. D. R.

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file personal

PSE
Mexico

DEPARTMENT OF STATE
WASHINGTON

December 21, 1937.

My dear Mr. President:

Henry Morgenthau has talked with me regarding his recent conversation with you concerning the extremely critical financial situation of the Mexican Government. The Secretary of State and I both feel that it would be very wise for us to canvass the possibility of undertaking certain steps which would prove to be of assistance to the Government of Mexico and that, in view of the urgent character of the crisis which is confronting Mexico, this possibility should be discussed as soon as possible - if practicable, during the present visit to Washington of Señor Suárez, the Mexican Secretary of the Treasury.

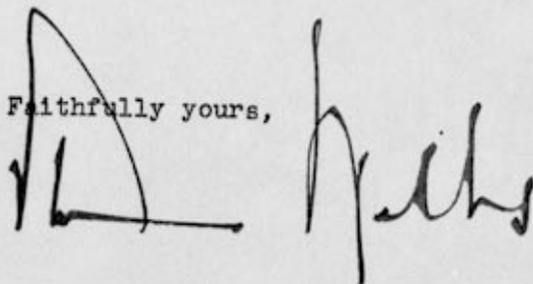
I realize fully how burdened you are at the present time with many other critical problems, but in view of the urgency of this matter, I wonder if it would be

The President,
The White House.

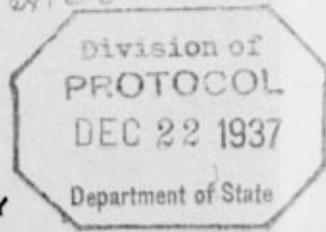
possible for you to fix some time within the next day
or so when the Secretary of the Treasury and the Secre-
tary of State and myself can talk with you regarding
this problem.

Believe me

Faithfully yours,

A handwritten signature in cursive script, appearing to read "H. H. H. H.", written in dark ink.

PSF TITWIC O



DEPARTMENT OF STATE
THE UNDER SECRETARY

December 21, 1937.

Mexico

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Mr. Summerlin:

The Ambassador of Mexico some time ago requested an audience with the President in order to present to him a personal letter from the President of Mexico. This letter expresses primarily the gratitude of President Cardenas for the book sent to him by the President.

Shortly after the Ambassador made this request, the President was obliged to go South and the Ambassador did not press the matter. Today he reiterated his request. I shall appreciate it if you will take the matter up immediately with Mr. McIntyre and say that I do not think the appointment will last over ten minutes but that I think it highly desirable that the appointment be made as soon as possible.

[Handwritten signature]

U:SW:MW

México, D.F., a 5 de
noviembre de 1937.

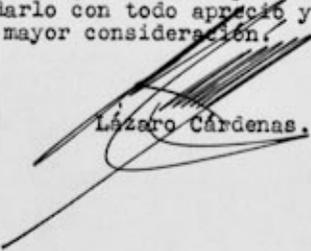
Excelentísimo Señor
Franklin D. Roosevelt,
Presidente de los Estados Unidos
de Norte-América,
Washington, D.C., E.U.A.

Muy estimado señor Presidente:

Por el amable conducto del Excmo. Sr. Joseph Daniels, Embajador de los Estados Unidos de Norte-América ante mi Gobierno, he tenido la viva satisfacción de recibir -con dedicatoria que mucho aprecio- el ejemplar de la obra titulada "Addresses of the President of the United States", que contiene tanto el original inglés como las versiones al español y al portugués de los elocuentes discursos que Vuestra Excelencia pronunció en 1936, durante el viaje que hizo a Sud América para asistir a la sesión inaugural de la Conferencia de Consolidación de la Paz.

El obsequio de este volumen, por cuyo envío le quedo profundamente reconocido, me ha dado la grata ocasión de releer los importantes mensajes de Vuestra Excelencia, a los que oportunamente había ya concedido toda la atención a que los hacen acreedores, entre --- otras virtudes, la generosa sinceridad política de --- Vuestra Excelencia y su noble empeño por defender las causas de la democracia y de la paz universal dentro -de un estricto apego a los principios de mutuo respeto y de leal colaboración que tan felizmente coinciden -- con los postulados en que se inspira, en materia internacional, el Gobierno que tengo la honra de presidir.

Al expresar mi vivo agradecimiento a Vuestra Excelencia, aprovecho gustoso la oportunidad de estas líneas para saludarlo con todo aprecio y reiterarle el testimonio de mi mayor consideración.


Lázaro Cárdenas.

11-2-37

PSF
Mexico

*file
personal*

Presidente de los Estados Unidos

Excelentísimo Sr. Franklin D. Roosevelt,
Presidente de los Estados Unidos de Norte-América.

Washington, D.C. E.U.A.

P.A.C.