

● PSF

Peru

1935

-PST-Peru

*file  
Personal*

Personal

Lima, March 4, 1935.

Dear Mr. President:

I have just despatched a telegram to the Secretary telling him that the reaction in Peru to the spat going on between Alessandri, Edwards and Cruchaga in Chile and Saavedra Lamas in Buenos Aires regarding the Chaco war, is a somewhat disturbed, somewhat disgusted, somewhat piqued and an extremely guarded expression of the hope that relations between Argentina and Chile are friendly enough to stand the candor of what is now being said. Peru takes an especial interest because Edwards, in his frank article in EL MERCUSIO, accuses Saavedra Lamas of meddling in the Peruvian-Chilean commercial treaty negotiations.

But what impresses me most is the fact that but for the Secretary's statesmanship as displayed at

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

at the Montevideo conference, we should be having from Saavedra Lamas not a mild reply to the Chilean accusations, but a rip-snorting refutation of all and sundry statements. To have delivered into Saavedra Lamas' hands the primary responsibility for peace in this continent proves itself more and more to have been far sighted and wise. Not only does it diminish the danger of the present incident; it contributes as well to what seems to me to be of prime necessity in this part of the world - that is, leaving these nations free to learn how to assume and discharge responsibilities and take care of themselves. And finally, there is the Secretary's contribution in all this to the "good neighbor" policy which is thus emphasized all the more. We now play the role of disinterested and kindly concern; of the really beneficent and sympathetic neighbor, and the evidence is now before everybody's eyes.

During the recent celebrations in connection with the commemoration of the 400th Anniversary of the founding of Lima, Augustín Edwards, editor of the

MERCURIO

MERCURIO of Santiago, Chile, was one of the especially invited guests. He lost no opportunity whatsoever to cultivate good relations with Peru and he was frequently in conference with the Miro Quesada brothers who run EL COMERCIO of Lima. You know, I am sure, that the COMERCIO in Peru is public opinion here, and that the MERCURIO in Chile is public opinion there. It takes a very strong counter-current indeed to over-run what these two powerful papers can do in the way of forming the minds of their countrymen.

When Edwards returned to Chile, he wrote a particularly interesting and sympathetic series of articles about the festivities that had taken place in Lima, and did everything he could to obliterate the old feelings of animosity which underlie Peruvian-Chilean relations and will probably do so for some time to come. At the same time, for perfectly obvious reasons, he has been working hard for the commercial treaty between Peru and Chile.

The Chilians

The Chilians were not making much progress up to the end of 1934, and Argentine protests as well as Peruvian ideas may have had something to do with that, but the deception the Peruvians suffered through the defeat of the Rio de Janeiro protocol in the Colombian Senate at once made them more receptive to the Chilean advances, and arrangements - particularly with regard to the importation of Chilean wheat into Peru - which are somewhat more satisfactory to Chile than to Peru, have now been made for trade between the two countries. Edwards accuses Saavedra Lamas of having endeavored to blast these arrangements and the feeling of tension which has existed for some time between Chile and Argentina now becomes intense on account of Saavedra Lamas' manoeuvres, which Edwards interprets as inimical to the Chilean interests for which he has been working so assiduously.

Finally, there is a good deal to suggest that both Chile and Peru, especially since they have noticed the increasing success of the Paraguayans in the Chaco, are  
feeling

feeling more friendly toward Bolivia, and here Edwards' suggested "Pacific Bloque" comes into the picture. He desires, it is reported, a close understanding between Chile, Peru and Bolivia.

Peru has a strong motive, always, for maintaining friendly relations with Bolivia, because Southern Peru, which is always the seat of any successful revolution against authority in Lima, is at all times extremely vulnerable to Bolivian attack, and there has been more than one scare to the effect that Bolivia might simply seize the southern part of Peru and make her way to the sea coast at last, as she has always wanted to do. This would make Bolivia quite the equal in power, and possibly in resources, of Chile and Peru. The theory has been that Bolivia would have made an attempt to reach the sea coast through southern Peru before this but for the opposition of Chile. Peru and Chile may continue to feel that they would prefer Bolivia to secure her outlet to the sea on the east. At any rate, there are at present a number of rumors current that

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both Chile and Peru have been helping Bolivia in various ways, just as Argentina is commonly supposed to have been helping Paraguay, and it seems fairly certain that both have been quietly furnishing Bolivia with arms and supplies.

The matter now comes into rather sharp focus with Alessandri's sudden outburst, and while it seems likely that the excitement of the moment will calm down, it is noteworthy that Bolivia immediately and aggressively undertakes to make capital of the situation and that there is real alarm in this part of the world. Peru, therefore, in addition to having to watch developments in the direction of Colombia, must now do some hard thinking as to what to do about Chile and Argentina, Bolivia and the Chaco war.

In the matter of Colombia, I have had additional evidence quite recently that the Peruvians do not entirely believe in Colombia's good faith, and this feeling has not been diminished by the recent incident of the firing on a Peruvian river boat by Colombian guards

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at Leticia. The Peruvians insist that Colombia is buying siege-guns in Spain, rifles in Belgium, airplanes in England, Italy and the United States, and unnecessarily large amounts of other military supplies; and they are not convinced by Colombian denials. Moreover, I am told by the Foreign Minister and the President that when Colombia makes what are called "routine changes of garrison", 30 men, for instance, come out but 150 go in. Meanwhile, the Government makes no bones about saying it is conserving all resources, particularly in money, until a successful completion of the ratification of the Rio protocol can be perceived. This decision is affecting many projects the Government would like to carry out, which involve the use of funds; such, for instance, as the resumption of service on American held Peruvian bonds. Business, meanwhile, is held up very much indeed, and accordingly revenues.

In the meantime the Constituent Assembly has adjourned not to meet until next July - unless specially called

called at some earlier date - and the Government has a much freer hand. In various matters it only has to reach agreement with a few committee members instead of with the entire Constituent Assembly.

One happy outcome is a serious and definite attitude as manifested by the Minister of Hacienda, to the resumption of service on the external debt held by American bondholders. The President and the Minister of Foreign Affairs are earnestly in favor of paying at least a part of the interest, and the Minister of Hacienda has given a quite positive commitment to make definite plans for resuming service in some form, some time in the latter part of this year. Both he and the President are inclined to trade a little bit and are now thinking of acting through the Peruvian Embassy in Washington to get a quota of 200,000 tons for Peruvian sugar. It has been pointed out to them that such trading cannot be done; that there are insuperable obstacles and that it will be far better for everyone concerned not to associate the resumption of bond service with the possibility of securing sugar quotas.

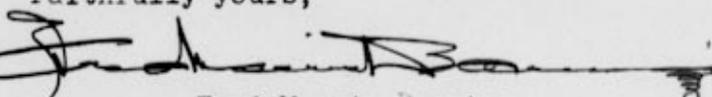
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However, it may take some further education before the point is fully grasped.

In closing this letter, which I trust will give you some impression of the present developments here, please let me say that American activities seem gradually to be increasing and to be somewhat more successful, although the progress is slow. One noteworthy fact is the number of visitors with very sharp eyes who are coming to Peru, discovering its resources and possibilities, and undoubtedly making plans for the future. Gold has been a great lodestone and air transportation seems to be in for development too. If only our tariff rates at home did not exclude practically everything Peru produces, we could look forward to a rapid increase in American trade. But one thing which does progress is the feeling of good will and faith in your policies in this part of the world.

With warmest good wishes,

Faithfully yours,

  
Fred Morris Dearing

P.S. The Chilean Ambassador here tells me the cause of the feeling between Alessandri and Saavedra Lamas is the fact that Chili got her vote for Mellotranco for the Nobel Peace Prize which Saavedra Lamas casts for himself; that thus Saavedra Lamas waits the moment when he can settle the Chaco dispute as a personal performance in short human vanity. Fred.



*file personal*

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EMBASSY OF THE  
UNITED STATES OF AMERICA

Lima, June 17, 1935.

PERSONAL

Dear Mr. President:

Mr. Conboy, who has been down here for a fortnight investigating the possible violation of your Proclamation of May 28, 1934, by the Tampa, New Orleans, Tampico Air Lines people and their four Curtiss planes, left us on the 12th to return to New York. The advent of the Chaco peace made us scratch our heads to see how it would affect any possible prosecution that might grow out of his investigation. It has been delightful to have him here and we have spoken of you more than once. He was exhaustive in digging information out of somewhat unwilling men but I feel pretty certain he carries back with him every scrap of information there is with the possible exception of what might have been learned from Travis, the Curtiss-Wright agent, who conveniently went to Chile while Mr. Conboy was here. Mr. Conboy is coming to see you and will give you the whole picture. My main motive in writing you is to thank you for sending us such a collaborator. A more charming, kindly, able and intelligent man I

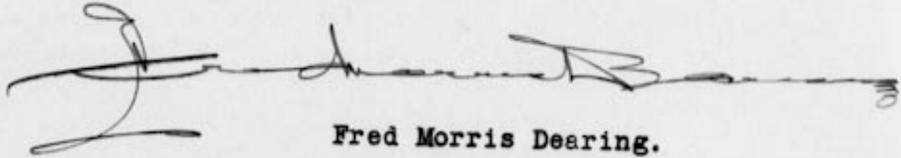
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The President,  
The White House,  
Washington, D. C.

- 2 -

have never met. He made every one of us his friends.

Yours most sincerely,

A handwritten signature in cursive script, appearing to read "Fred Morris Dearing". The signature is written in dark ink and spans across the width of the page.

Fred Morris Dearing.

PSF-Peru

June 20, 1935.

Dear Fred:-

That is a mighty interesting letter of yours and things sound a bit unsettled in Lima.

Since you wrote Chaco seems to be in a fair way to settlement, and I have emphasized to the Latin American Diplomats here my pleasure in the fact that, whereas in Europe, in Asia and in Africa, war, or threats of war, occupy the minds of all, the American Continent - North, Central and South - is now at peace and has no war threat on the horizon. I think that thought should be spread around.

I am off to the Harvard-Yale Boat Races tomorrow. Congress will probably be with us for another month. ...

As ever yours,

Honorable Fred Morris Dearing,  
American Embassy,  
Lima,  
Peru.



PSF Peru

EMBASSY OF THE  
UNITED STATES OF AMERICA

Lima, May 27, 1935.

Personal

Dear Mr. President:

I returned to Lima to find a considerably upset, but probably not serious situation, which has resulted from the shooting of Antonio Miro Quesada, civilista, intense reactionary, and editor of the powerful newspaper "El Comercio." He was the real author of the Leticia dispute which came near embroiling Peru in a war with Colombia which would have been as disastrous as the Chaco war. His motive was primarily to destroy the work of Leguia, whom he hated, and I may mention that he hated our Government too, particularly because Leguia was friendly to us. Fate has used a considerable degree of poetic justice in dealing with the iniquitous Leticia affair. Sanchez Cerro, through whom Miro Quesada originally worked, was shot, as you know, by a young Peruvian, and while it has never been quite clear just what the assassin's connections were, the Civilistas would have us believe that they were Aprista. Now

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

Antonio Miro Quesada has been shot and his assailant seems more clearly to have been a member of one of the Aprista organizations for younger men. Of the three men directly responsible for the Leticia trouble, there now remains only Manzanilla, the Peruvian Minister in Rome, who, it seems likely will see the handwriting on the wall and will be canny enough to stay abroad as long as he can.

I will give you an account of the immediate situation resulting from the Miro Quesada shooting of May 15, as reported to the Embassy by the Commercial Attaché, Julian D. Smith, just before I returned to my post:

The assassination of the Miro Quesadas -- Mrs. Miro Quesada was killed at the same time that her husband was shot -- on May 15, is considered a crime of political significance, the assassin having admitted that he held no personal grievance against his victims. He is a minor and a member of the junior organization of the Apra party, known as Federacion Aprista Juvenil. The Civilistas generally, and of course the very numerous Miro Quesada clan, believe that he was a mere tool in the hands of "higher ups" but he himself has denied that his act had anything to do with the Aprista party.

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The Press and a great part of public opinion have interpreted the crime as an indication of the ineffectiveness of the Government's policy of "pacification, concord and tolerance." After some squabbles among its component members the Cabinet, although Antonio Miro Quesada was merely a civilian, felt called upon to resign, and tendered its resignation on May 17. In view of the strong Civilista leanings of the President of the Cabinet and one or two other members, this is not strange. President Benavides immediately took up the task of forming a new Cabinet. Doctor Concha, the very able Minister for Foreign Affairs, Pedro Beltran, of the very powerful Asociacion Agricola, and various other worthy and independent men, were summoned to the Palace to assist in arranging a new slate, but after several hours of conversation with the President, none of them was able to do so. Pedro Beltran was formerly an officer of the Banco de la Reserva and is now the publisher of the newspaper "La Prensa," the organ of the National Agrarian Society which helps to finance it. He is known to have presidential ambitions. He insisted on General Ortega as Minister of Government, but President Benavides, not  
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being friendly to the General who was recently promoted by Congress after the President had refused to sign the original act, it became apparent that no Cabinet could be formed including Ortega.

After four days of conferences, a new Cabinet was finally selected composed almost entirely of military officers, the only exceptions being Dr. Fernando Tola as Minister of Finance, who is well spoken of, and Dr. Carlos Concha, who continues to be better and better as Foreign Minister, and retains his post. The military officers who have been selected have all had experience as Cabinet officers. While the new Cabinet is not as good or as promising as the old, being military, it probably serves to keep the situation quiet at the moment. General Manuel Rodriguez, who heads the Cabinet and occupies the portfolio of Fomento, served in the last Cabinet as Minister of War, and is an able and experienced man.

Since the Press and a certain part of the public have assumed that the President's policy of tolerance has failed and should be replaced by the iron hand as in the Sanchez Cerro regime, it is concluded that the military Cabinet will be hard and strict. In other quarters it is called a "Cabinet of desperation," and

it is

it is thought it will be short-lived. Certain pessimistic observers claim that the failure of prominent politicians to enter the Cabinet indicates that the President has lost support, but other observers consider that the President has done about as well as could be expected in the circumstances, as there is but little true patriotism in the country, a legacy of political deaths, and no mean threat of personal danger for members of the Government.

The old Sanchezcerrista leaders who up to the time of the assassination of Sanchez Cerro and the advent of Benavides were riding the country down hill are now taking advantage of the situation to criticise and even to insult the Benavides administration, and there is a certain movement on foot to call Congress into special session, since the next regular session does not begin until July 28 next, but business gets along so much better when Congress is in adjournment that this movement will probably not result in a meeting. What the more solid interests want is peace and quiet. For this reason they have liked the Benavides regime and accordingly lament the fact that this crime has stirred up internal politics again, opening the door to personal ambitions and intrigue. They feel that a strong arm policy  
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will be adopted against the Apristas and Comunistas and that these, who are numerous, are not going to submit without a struggle, and that the long and bitter contest between the old conservative Civilistas and the young and ardent Apristas will become more bitter and cruel and thus damaging to the country's interests.

Please let me add a note or two about other important developments. In Colombia the Liberals are apparently masters of the situation and have elected most, if not all, of the members of the next Congress which will convene in July. I found as I came down the Colombian coast that it is confidently expected that the Rio Protocol for the settlement of the Leticia dispute will be ratified very promptly after the Colombian Congress convenes. When this takes place, I feel certain that you will see both Peru and Colombia and indeed Ecuador as well, leap forward in their economic reaction. As I told you in a recent letter, many advantageous measures await that all-important ratification. When it takes place, good feeling will be reestablished between the two countries and the menace of a war will be scotched. It is noteworthy that the anniversary of the convening of the Conference in Rio which adopted the Protocol and  
into camp as a friend.

which

which took place just a day or two ago, is being celebrated here as an anniversary of the "Peace." Next, the devastating military expenditures can be stopped to a certain extent, and then the problem of paying service to American holders of the bonds of these two countries will be nearer solution, and finally, the shackles will be taken off of business generally. The event when it occurs may not receive great notice at the time, but I can assure you that it will be one of the most important things that has occurred in South America and worth more to all of us than even the settlement of the Chaco dispute which is now claiming every one's attention.

The approaching Chaco Conference at Buenos Aires is being watched here with interest but some skepticism as the armies in the field continue to fight desperately. The speculation is as to whether the contenders will get tired enough to be willing to listen to reason.

The Commercial Conference at Buenos Aires has started off auspiciously and the newspapers here are singling out for comment Saavedra Lamas's references to the success of your good neighbor policy. You and the Secretary certainly never did a better or more astute piece of business than when you brought this gentleman into camp as a friend.

Peru

Peru, like Mexico and China, is having trouble with her silver coins and they are gradually going into hiding, as a certain Mr. Gresham, I believe, said they always would. New paper money for the small coins is being substituted but at the moment there is a lot of counterfeiting and some confusion. Peru stands to make so much as a producer of silver, however, that I do not expect a great deal of complaint about the difficulties of the circulating medium.

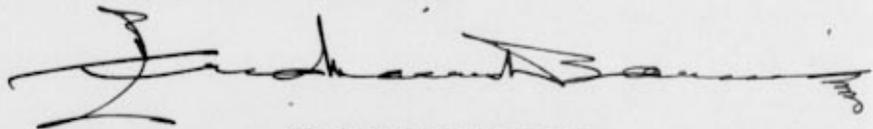
Finally, please let me say that all of the European subsidized press agencies are making a strong bid for the eyes, ears and minds of the Peruvians, and are giving their services free to one of the newly established newspapers here; El Universal. The United Press and Associated Press men tell me that in some instances the reports are made up in the local diplomatic missions. The agencies involved are Reuter (British), Transocean (German), Rengo (Japanese), Stephanie (Italian) and Havas (French).

Still another note. The Foreign Minister to whom I spoke yesterday, is not optimistic about the Chaco Conference. The points of view of the combatants are as far apart as ever and there is nothing in sight to indicate that they can be harmonized. The Bolivian Minister tells me he is deeply suspicious of Argentina  
and

and of the vanity of Saavedra Lamas who he thinks will only help in case he sees an opportunity of stamping his name on the peace treaty and thus of diverting the Nobel Prize from Mello Franco of Brazil to himself. The Paraguayan Minister is noncommittal. The Foreign Minister says the Conference will have to be forceful with Bolivia and Paraguay but admits that in the last analysis it will have only moral suasion as an instrument; that neither side is yet weary enough to resort to the Conference as a face saver, and that a decisive victory for one or the other is still distant. Meanwhile the carnage goes on with renewed fury.

The news of the Supreme Court's Decision affecting the N.R.A. has just come in. I will give you the Peruvian reaction in my next letter.

Yours most sincerely,

A handwritten signature in cursive script, appearing to read "Fred Morris Dearing". The signature is written in dark ink and spans across the width of the page. There is a small mark at the end of the signature that looks like "1910".

Fred Morris Dearing.



**THE NEW CABINET**

*From left to right: Captain Héctor Mercado, Minister of Marine and Aviation; Dr. Fernando Tola, Minister of Finance; Colonel Antonio Rodríguez, Minister of Government; General Manuel E. Rodríguez, President of the Council and Minister of Public Works; His Excellency, General Oscar R. Benavides, President of Peru; Dr. Carlos Concha, Minister of Foreign Affairs; Colonel Ernesto Montagne, Minister of Justice and Education; Colonel Federico Hurtado, Minister of War.*

*May 20 - 1935. Lima, Peru.*



EMBASSY OF THE  
UNITED STATES OF AMERICA

Lima, Peru, August 12 1935.

PSF Peru  
file  
Personal

Personal

Dear Mr. President:

I was delighted to get your letter of June 20 but sorry to hear through the papers of your bad luck at the boat races. I should say that Congress is going to be with you for considerably longer than the month you mention.

I just sent a short note to Sumner calling his attention to reports from the Embassy regarding the Peace Conference you have in mind for the American nations to be held some time next year, I imagine here in Lima. The Foreign Minister disclosed to me in a conversation a few days ago some concern lest Saavedra Lamas and the Argentines should run away with the show, but otherwise they are anxious to meet your wishes. What you have in mind seems to me to be a grand idea. With the Chaco struggle on the way to settlement, with the ratification of the Rio Protocol by Colombia not so many weeks away, and with the really good attitude on the part of Peru towards Ecuador of which the Foreign Minister assured me in our last conversation, it seems to me the outlook for peace in this hemisphere is vastly improved. The Conference in view should produce a very impressive

unity

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

unity of view in the American nations and the influence of this unity upon Europe should be tremendous. Any one who can look into the future will appreciate its importance. As Japan has been looking more and more to Latin America for her raw materials, the same unity should both immediately and eventually have potent and far reaching effects in Asia as well.

As I write, we are still at peace here in the south and there is scarcely enough trouble in sight to suggest a war. Nevertheless, Peru and Ecuador have begun through their chief newspapers to make faces at each other and I should feel better about the future if they had not. I hear the Ecuadoran Minister of War has made a speech stating that if no other means can be found for settling the differences with Peru, war may have to be used. I also hear that Peruvian aviation officers are spoiling for a fight so they can show what they can do by dropping bombs on Guayaquil. The direct interest of the situation for us is that the dispute may be rolled into your lap, as the Ecuadorans have notified the Peruvians that they want the negotiations transferred to Washington. Should the two countries fail to reach agreement in Washington, you apparently will have to take a hand and arbitrate.

Moreover, the question is not so simple. You know

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what rivers can do when they are boundary lines and begin to transfer territory from one side of the stream to the other, skipping around looking for new beds to lie in, a procedure quite as immoral for rivers as for human beings. At the western extremity of the common frontier the boundary is the Zarumilla river. It has changed its course at some vague time in the past and in consequence there is an island between the old course and the new course and you cannot tell to save you to which country the island belongs. There have been a number of brushes along the border in this vicinity - another "invasion" occurred just a day or two ago - but a sort of working arrangement between the two governments has so far kept the inhabitants from doing anything too serious.

Over the mountains at the eastern end of the boundary line there are more rivers to bother us. There Ecuador's extreme pretensions reach the Napo and the Amazon and even include the town of Iquitos. I do not know just how far to the north Peru's intentions go, but they go pretty far and it makes Peruvians laugh to hear of Ecuador's claims to the south.

At the time of the Leticia Conference in Rio de Janeiro over a year ago Ecuador tried her best to gain admission to the Conference so that in any boundary settlements she could take care of her own interests. She did not succeed and Peru, to mitigate the disappointment, invited

invited Ecuador to direct negotiations in Lima pari passu with the negotiations in Rio. It is these direct negotiations which have now broken down, Ecuador claiming that Peru never meant to make a settlement anyway and wished only to steer Ecuador away from Rio and away from any participation in boundary settlements worked out with Colombia. Peru maintains that she cannot go forward with the negotiations until Ecuador agrees to define the nature of the arbitration to be arranged.

Meanwhile, the President of Ecuador has been making loose and indiscreet speeches. He made a visit to Lima which the Peruvian Government found inconvenient and embarrassing and now, as I have said, the newspapers of the two countries have burst out in recriminations. I am glad to report, however, that the Foreign Minister told me after a conference he had had with the President, that Peru sincerely desires to be friendly, that he feels the Ecuadoran Government is really friendly, and that Peru is anxious not to avoid the issue but to work out a settlement. He said the chief concern and difficulty is the mercurial character of President Velasco Ibarra, whose positions vary like a weather vane and whose actions are unpredictable. I have, of course, kept the Secretary and Sumner closely informed.

When

When disputes like this between Peru and Ecuador begin, they have the most surprising consequences and involve us in quite unexpected ways. The four Curtiss planes which Mr. Conboy has been investigating are still in Peru but they have not remained still at Los Palmas air field in Lima. One of them has been skipping around all over the place and on July 28th made a trip to Cuzco with ten passengers and a lot of gasoline. The owner of the planes is engaged in negotiations with some important Peruvian mine owners who want them, and we also hear that he has a close working arrangement with the Peruvian aviation officers who are extremely anxious to buy the planes and has been assisting the Peruvians by carrying gasoline to deposits all the way up the coast to the new air base at Chiclayo. The development of this base in the north points straight to Ecuador as well as to Colombia. Meanwhile, Ecuador has been, according to the press, buying some dozen powerful planes in the States and some water craft as well.

I called the movements of the planes to the attention of the Foreign Minister and have made it quite plain that we should not look with favor upon the sale of these planes to any South American government or to any one else as long as they are under investigation and unlicensed.

Brazil,

Brazil, Chile, Peru and Colombia have all bid for them and now various private interests are after them. I also indicated that we are anxious that nothing should happen to jeopardize the ratification of the Rio Protocol by Colombia, which seems to be but a week or two away, or to contribute in any way towards fanning this incipient blaze between Peru and Ecuador. Under instructions just received from the Department, I have requested the Peruvians to keep the planes on the ground and have told Wells, the owner of them, he will incur serious consequences if he flies unlicensed planes and that he should carefully consider the wisdom of taking them back to the United States, as suggested by the Department.

This letter has become rather longer than I intended but I think you will be interested in one or two other things which I will report briefly before I close.

A serious railway strike has developed in southern Peru, centering on Arequipa. Confirmed agitators there have been bidding for trouble for a long time. The Government has been very patient but now seems determined to have a show-down. This action has been approved by the Constituent Assembly and the Peruvian corporation which operates the railroads is anxious to clear up the situation. Labor here is very truculent and not particularly intelligent

intelligent and the prospect therefore is for trouble for some time before the issue is settled. The general manager in the south is an American and a fine man; otherwise American interests are not much affected except indirectly.

The matter of the Yurimaguas Concession given to one of our fellow citizens, Bertram L. Lee, by the Leguia government a number of years ago and which was subsequently illegally canceled by Leguia and which has been the subject of negotiations for over five years, has just taken a very favorable turn. The Foreign Minister tells me his Government is ready to explore with Lee, as provided in his contract of concession, the possibilities of mutual agreement. Lee is convinced his concession covers the world's last great potential oil field and he declares he wishes to make it secure for our Navy.

Our Japanese friends continue to be active commercially. Ever since I have been here we have heard a lot about their schemes centering upon Chimbote where, as you probably remember from your Navy days, there is a magnificent harbor, about which there has been almost as much talk as about Magdalena Bay in Lower California. A friend of the Embassy's recently covered that region and brought back a negative report. According to him, there is no large number of Japanese in the vicinity of Chimbote, only one owns a plantation of any size, and the rest seem to  
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be poor Japanese who have small trading establishments in the various towns. He detected nothing whatever to substantiate frequent stories of military designs.

Here in Lima the Miro Quesadas, with explainable motives but very poor grace, continue to plague the courts for not making a political issue of the shooting of Antonio Miro Quesada and his wife on May 15th. Their newspaper, the COMERCIO, the strongest paper in the country and the almost exclusive mold of public opinion, continues to argue that the crime was a political crime - as it undoubtedly was - and to call for a court-martial and a summary execution of the assassin. The trouble is there seems to be no warrant for such a course. The civil law does not provide for capital punishment and the only special law for political crimes relates to the incitement of the masses rather than to specific assassinations and dates from the time of the provisional government of Samanez Ocampo, which is viewed by some as subtracting somewhat from its validity, so the courts are under a barrage of criticism, attempts are being made to divide the judges so they will quarrel among themselves, and the blasts against the Apra party to which the assassin belongs continue without abatement.

The Apristas, either by election or because they must,  
continue

continue rather quiet. A number of the most important of them are in jail, but others in Chile, Argentina and Colombia, some of whom are adepts at newspaper writing, continue to make things just as uncomfortable for the Government as possible. The Government, rather spoils its cause by undertaking to prove too much. Magda Portal, for instance, the strongest feminine Apra leader who was recently arrested and is still held in the penitentiary, is accused by the Prefect of scandalous behavior and he declares he has pornographic pictures of her which are appalling. Resort to this sort of thing makes one feel that the Government is not absolutely easy in its own mind.

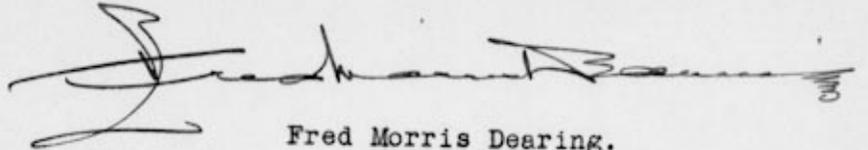
You will be glad to know that our Fourth of July celebrations brought out a very warm and sympathetic expression on the part of our Peruvian friends. Your telegram to President Benavides on July 28th, the occasion of the anniversary of Peruvian independence, likewise caused a most friendly reaction.

I send you with this a picture of most of the Diplomatic Corps taken as we were leaving the Palace on July 28th after the Te Deum in the Cathedral and our salutations to the President. You can see how much my recent association with Mr. Conboy has made me look like him. The Nuncio, the Dean of the Diplomatic Corps, whose brother is  
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the Legate in Washington, is in the middle, I am on his right, the Chilean Ambassador is on my right, and the Argentine and Brazilian Ambassadors are on the Nuncio's left.

With my most cordial regards and trusting you may be able to get out of the heat of Washington every now and then - you may not believe it but it is cold down here - and get a rest, I am,

Yours as ever,

A handwritten signature in dark ink, appearing to read "Fred Morris Dearing". The signature is fluid and cursive, with a long horizontal flourish extending to the right. The name "Fred" is written in a larger, more prominent script than "Morris Dearing".

Fred Morris Dearing.

PSF Peru

PF

Lima, Peru, August 29, 1935

Personal

Dear Mr. President:

The Ecuadoran situation, concerning which I had something to say in my last letter to you, has changed with dramatic suddenness. The Ecuadoran Minister here, Señor Viteri Lafronte, a few days ago went to see the President about the renewal of the boundary negotiations and was astonished to have President Benavides ask him whom he represented! He had heard nothing of the overturn at Quito and so the President had the satisfaction of giving him the news. The Minister's face must have been a study as he, also, had no use whatever for the deposed Velasco Ibarra and found his job as Minister here a delicate and difficult one.

The new Government has offered Señor Viteri Lafronte the post of Foreign Minister in Quito, but we do not yet know whether he will accept it. He sailed yesterday for Guayaquil and Quito, but the

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

Foreign Minister tells me he will return to Lima for a short time at least. He wants to go to Washington again. In any event, the prospect for a renewal of negotiations is better.

Meanwhile we hear - on what appears to be good authority - that Señor Goytisoló, the Official Mayor of the Foreign Office here, which corresponds to Bill Phillips' job in the State Department, and who is sailing tomorrow, is going to confer with Señor Freyre primarily about the Ecuadoran dispute. There are, however, one or two other things which might well come into their discussions, such as the resumption of service on American held Peruvian bonds and even some personnel changes in the Peruvian diplomatic service.

The internal political situation has suddenly become sharply crystallized by the action of the Cabinet - somewhat ill-considered as I see it - in going to the Constituent Assembly in a body and asking for the unseating of Señor Flores, the Fascist leader here and the head of the Sanchez Cerro following. Flores and his adherents, having been quietly left aside by Benavides who inherited Sanchez Cerro's mantle when the latter was shot two  
years

years ago, is now making almost as violent war upon the Government as are the Apristas. The Government, in its desire to maintain order, prevents - under an emergency law - large scale political meetings in streets and public squares, and having been rigorous in the matter with the Apristas, found itself obliged to refuse the request of the Cerristas. The angry Cerristas, who have felt that the Government somewhat belongs to them, then retired to their leader's house and he, Señor Flores, is said to have accused the President of various things and in particular of conniving in the murder of Sanchez Cerro. The fat was immediately in the fire, and in the violent discussions which took place in the Constituent Assembly day before yesterday, every one aired his views. Flores finally stated that it was not his intention to calumniate the President, whereupon the Cabinet, through the Minister of Foreign Affairs, withdrew the request for his unseating.

The debates, however, cast a strong light upon  
political

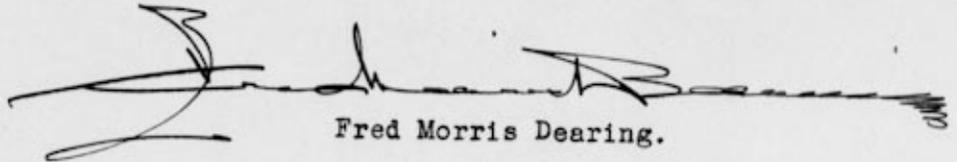
political allignments and give proof of the adage that "politics make strange bedfellows". It would not be impossible for the center and mild civilista elements to make peace with the Leguistas in order to oppose Flores and his Fascistas and Haya de la Torre and his Apristas. It remains to be seen whether the common hatred of these latter two organizations for the Government will bring them together.

I have just received the instructions from Secretary Hull to initiate conversations preliminary to negotiations for a trade treaty. I am afraid most of the obstacles are on our side as our tariff rates bar from the American market practically all Peruvian products and the Department of Agriculture has just denied an agonized plea for a small increase in the Peruvian sugar quota. However, we may find a way to get some more business for some of our people and to make the point that if Peru can sell more of her products to us, she can do a good deal more towards paying American holders of Peruvian bonds the interest on their money.

I am

I am delighted to see that Congress has adjourned as I hope it will give you a chance to go off and have a holiday.

Yours most sincerely,



Fred Morris Dearing.

P.S. We have just heard that Peru will shortly issue a statement welcoming Jews of high grade to Peru.



PSF: Peru

Hyde Park, N. Y.,  
November 5, 1935.

Dear Fred:-

Many thanks for that interesting letter of yours. I am particularly glad to get the slant on the British news service.

Yesterday your good wife came in to Tea and it was delightful to see her again. I am so glad that she has recuperated so well from her operation and illness. Apparently your youngster is getting on well at Williams.

My warm regards,

Always sincerely,

Honorable Fred Morris Dearing,  
American Embassy,  
Lima,  
Peru.

Lima, October 23, 1935.

~~CONFIDENTIAL~~

My dear Mr. President:

Although Peru is pretty far away from Italy and Ethiopia, I have just had an opportunity for a glance behind the scenes and believe you may be interested in having a brief report of what I saw. The State Department, of course, keeps you informed of the reports from our missions in the principal capitals in Europe, but what I shall say may, nevertheless, be of some value as a check on your other information.

I had an opportunity yesterday to read a number of the original despatches from the British representatives at these capitals to the Foreign Office in London, which were written not much more than a month ago, and I thought you might be interested in hearing something of the tenor of these reports and of the main points brought out in them.

Sir Robert Van Sittart, in replying to the

The President,  
The White House,  
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British Ambassador in Paris, reports a conversation with Corbin, the French Ambassador in London, in which he emphasizes the points made not so long ago by Sir Samuel Hoare in his speech to Parliament. Sir Robert makes it quite apparent to Sir George Clerk that the British Government stands squarely back of the League and for collective action, but lets it be seen that he made it clear to the French Ambassador that unless the French Government would do the same, the necessity would arise for the British Government to reconsider its whole position. He reports the French Ambassador as saying nothing in rebuttal to this statement and as simply receiving it in non-committal silence.

Clerk, the British Ambassador in Paris, wrote to Hoare expressing himself with the greatest frankness about Laval's personal characteristics and French policy. He thinks the fundamental fact in the whole situation is the arrangement made between Laval and Mussolini in January last, which resulted in the removal of any Italian threat towards Tunis and towards the French frontier, and permitted the French Government to move a number of its military units from the Italian frontier to the German frontier. The British  
Ambassador

Ambassador feels certain that for these considerations Laval has promised Mussolini a completely free hand in Ethiopia and that this explains all of his subsequent actions.

I gather that the British Government has not yet obtained complete confirmation of its surmises as to just what took place between Laval and Mussolini, and has had no copy of their agreement in the doubtful case that it was ever reduced to written form.

The British Ambassador declares that Laval is always a man of "negotiation and compromise" and that he is so much for immediate expediency that he will not hesitate to sacrifice principles if necessary. On the other hand he states that Laval will do anything to keep peace as that is most in accord with his French bourgeois character and desires. The Ambassador feels that Laval will avoid commitments until the last possible moment and will temporize in every conceivable way rather than take a position favoring sanctions against Italy. And

it

it would seem that subsequent events have borne out the justice of this opinion.

Clerk reports that the chief offset to Laval in government circles is Herriot. He states that the Left parties have been increasing in influence and that the "common front" is now the most powerful element in French political life. Nevertheless, he states that Laval needs Herriot's Right and radical following on account of his fiscal measures and other economy acts and must, therefore, compromise.

Herriot is reported by the Ambassador as being opposed to Laval's commitments to Mussolini and to feel that it will be suicidal for France to cast her fortune with Italy rather than with Great Britain and the League. And the Ambassador tells his Chief in London that he has it on excellent authority that in a cabinet meeting Herriot came out quite bluntly and stated his position. Laval hedged and managed to get out of the session still uncommitted and with his hands untied.

The upshot of the Ambassador's report is that Laval is not to be trusted; he must be understood to  
act

act in accordance with his characteristics; that Laval will avoid, in every possible way, taking a strong stand against the Italians, primarily on account of his January agreements with Mussolini, but that in the last analysis his determination to preserve the peace may make it possible to get a certain measure of support and cooperation from him.

The Ambassador then goes into the intricacies of French policy in Europe, but as the general outlines of that policy must be fairly well known to you, I do not attempt to give you from memory what I could only glance at in a somewhat hurried manner.

Ambassador Drummond in Rome, in his reports, brings out a statement frequently repeated in the reports of the other representatives, namely, that the Italians feel the British are too weak to do very much in case there is an outbreak of hostilities and that, therefore, the British will not act. This rather surprising opinion (in view of the character of the British navy in the Mediterranean) is repeated several times.

The Ambassador

The Ambassador in Rome also stresses the fact - as does Clerk in Paris - that there is no real comprehension on the Continent of the British temper or attitude, which is ascribed entirely to direct material interests, and states that no one will believe that Great Britain cares anything about the League or its principles except as a cat's paw!

The British Ambassador at Rome makes it plain that the Italians are counting confidently upon the French as a result of Mussolini's understanding of last January with Laval. He then says that there is no doubt about the entire Italian nation being back of Mussolini in his enterprise, but he states that it is a qualified backing and not exactly one of wild and fanatical enthusiasm. He repeats, however, that the entire nation is with its Chief and then makes an interesting analysis of Italian opinion. The Facisti, he states, are chiefly the young hot-heads, and other extremists, who are not notable for thoughtfulness but who follow their chief blindly in everything, believing that whatever Italy desires is right

right and that morals are not to be considered in carrying out the aggrandizement of the country, and that even Machiavelli is of no use unless he serves Facisti purposes. There is none of Machiavelli's cool foresightedness in the attitude of the body of the Facisti, Ambassador Drummond declares. From them he expects nothing but pressure for a war of conquest, regardless of consequences.

The Ambassador next speaks of the middle classes and the nobility in Italy, among whom the British have heretofore found their best friends and have made their most intimate connections. These people, he says, have been very much influenced by what they see in the press and he remarks, with regret, that the more flamboyant English press - aided, of course, by the Italian press - have placed them behind Mussolini where, however, they must place themselves if they are freely to continue their lives in Italy.

Finally, the Ambassador refers to the peasantry which he estimates, comprises about sixty percent or  
more

more of the country. He said that they have been so filled with tales of unlimited lands in Ethiopia and a free and successful career for everybody, that this, in comparison with their restricted life at home, and the constantly dropping scale of living, makes them prefer the war. On the other hand, the Ambassador feels that they do not wish to get themselves into any more difficulties than possible and that memories of the last war are somewhat too recent.

The Ambassador here mentions one of the basic facts in the entire situation to which nobody ever seems to pay much attention, namely, the pressure of population and the effect it is having upon the standard life in Italy and the political objectives of the government. It is apparent from what the Ambassador says that this is the prime cause - whether it is consciously realized or not - for the Italian enterprise, and yet nothing seems to be even contemplated in the way of population control. The pressure gradually results in conditions of peace which are so terrible that war is a preferable alternative.

An interesting despatch from Newton, the Chargé in  
Berlin

Berlin (Phipps, apparently, is away) indicates a considerable understanding between the British and German governments, an anti-Italian attitude on the part of Germany and a policy of quiet but great alertness on the part of the Nazi government. The Chargé reports that he has it on the best of authority that Germany does not intend to do anything whatever to alienate Great Britain; that the Nazi government feels resentful towards Mussolini, is very suspicious of the provisions of the agreement between Laval and Mussolini and was particularly bored by Mussolini's grandiose gesture and mobilization along the Brenner.

I gather from other papers that the British are not happy about their association with the French and are also considerably irked by the League but support it as the best means for obtaining collective action, preserving peace, curbing Italy and upholding civilized ideals. I also gather that our policies are considered to be justified and are quite understood.

I saw

I saw one paper from Sir Gerald Campbell reporting on the negro riots in Harlem, but it had no particular significance.

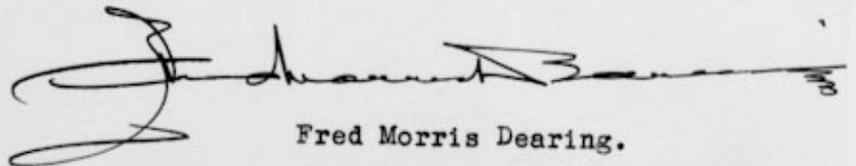
I wondered, as I read some of the papers and recalled former French efforts to span Africa from east to west as these efforts came into conflict with the British band of continuous territory from north to south, whether the French were not remembering Frashoda in much the same way that the Italians have been recalling Adowa.

Here in Peru, due to a number of causes, there seems to be a movement towards Italy and against sanctions and what sanctions may involve, primarily for reasons of self interest. Peruvian respect for League principles has always been rather academic except where her own interests have been directly concerned and when she felt some advantageous use might be made of the League. But as the present situation deepens, the Government evidently finds its obligations as a member of the League irksome and embarrassing and would like very much to avoid them. Racially, culturally, religiously and in a good many other

other ways the Peruvians are sympathetic to the Italians and they like to see a Latin nation asserting itself as Mussolini is doing. As I have already reported, however, there are a number of the more thoughtful Peruvians who feel that if Mussolini is able to accomplish his aggrandizement and then force other nations to accept it as a fait accompli and thus consolidate his predatory gains, the day may come when Peru, as a smaller nation coveted by some greater one, will also be the victim of equally cynical aggression.

I trust this report will be of some use to you, and beg you to believe me,

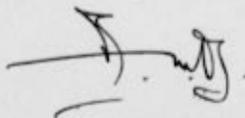
Yours most sincerely,



Fred Morris Dearing.

P.S.

I have also reported what you have found herein to the Secretary in a personal and strictly confidential letter.



*Paula G*

*PSF: Peru*

*Fred moves Dec 21*

*5-2-4-1-2-3-4-5-6-7-8-9-10-11-12-13-14-15-16-17-18-19-20-21-22-23-24-25-26-27-28-29-30-31*

Lima, December 2, 1935.

Personal and  
Strictly

My dear Mr. President:

I have had again an opportunity to read in somewhat hurried fashion (I have not broken into any one's strong box) a number of the official communications exchanged between the British Foreign Minister and his agents at various foreign capitals. They are dated from about October 7th to about October 20th. That is now about a month and a half behind us, but the communications are sufficiently recent, and report so directly what is taking place in Europe, bear so immediately upon your own attitude towards events in the Mediterranean quarter, that again they may serve you as a check upon your reports from other sources, though they may convey nothing more than a certain confirmation. There are also indications

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

of personal characteristics which may also be of interest to you.

I shall particularly appreciate it if you will let me know if you would like to have further reports of the same nature in case I find myself in a position to make them now and then.

RICKETTS CONCESSION.

The first communication is an extensive report from Barton, the British representative at Addis Ababa, to Hoare, with regard to the Ricketts oil concession. According to Barton, the secret of the concession was so well kept that no one in Abyssinia, except the Negus and Ricketts, knew anything about it until it was suddenly sprung upon the world. The news came through first in the form of a flash from the Home office in New York to the correspondent of the NEW YORK TIMES or of the Associated Press - I do not recall just which - and from the New York office of the London TIMES to its correspondent, both getting their messages at about the same moment.

The correspondents apparently then informed the British and the American legations, and the story immediately got out. Ricketts was reproached by Barton for not having said anything about the matter - especially  
since

since he was a British subject - either to the British representatives at Cairo or to himself. Ricketts replied he thought it would be best to leave the British representatives in a position to say they knew nothing about the matter. It would appear from Barton's report that the British Government really did not know anything about the concession previously and had been left completely in the dark.

Barton argues pointedly that when grave political considerations are so much to the fore, it is highly important for any British subject engaged in enterprises of this kind to share his information with the Legation; much more important than merely to leave the Legation the moral right to disclaim fore knowledge.

Barton expresses a good deal of skepticism - although confessing his ignorance about such matters - as to the absolute bonafides of the concession. He says he understands such enterprises are preceded by geological survey which is followed up by the drilling of test wells, and that very little of the former and practically nothing of the latter was carried out. He also expresses, with

emphasis

emphasis, his surprise that the concessionaires - meaning the Standard Oil Company of New York - should have yielded so quickly to the pressure brought upon them by Secretary Hull.

AMERICAN GOVERNMENT'S POLICY.

The next communications are of particular interest to our own Government, that is, to you and to the Secretary. They are dated October 8th, 11th and 17th, and addressed by Hoare to the British Chargé in Washington, Osborne. In the first he tells of a conversation with Atherton, and in the next two of two conversations with Bingham. Hoare gives, in considerable detail, the substance of the conversations and the character of the deliberations within the Foreign Office which preceded what he said to Atherton and Bingham.

I pause here to say that it would seem that your own and the Secretary's most intimate communications are made a matter of record in the Foreign Office as soon as received, and immediately distributed to the entire British Foreign Service. Your own foreign service officers throughout the world, not having been similarly informed, are, therefore, always in the position of knowing less - and sometimes nothing at all - about what has been done by our Government even

in matters of major policy, than their British colleagues. It is true, perhaps, that this state of affairs may make it easier for American representatives not to be indiscreet, but it does not help much towards their understanding of policies and the lines that are being followed in carrying them out. In many instances absence of information among our men may be of no importance, but I can imagine situations in which the American representative would be at a distinct disadvantage in emergencies in which he might have to compete with his British colleagues.

The first thing that appears in these communications is your own eagerness - as the British understand it - to back up the League and the British position, and this is emphasized in such a way as to make it seem as if you regard that<sup>as</sup> almost more important than the fulfilment of our neutrality law or the preservation of peace.

Hoare states that in all the remarks he made to Atherton, and particularly in those made to Bingham, he had been guided almost completely by the advice of Lindsay, who apparently was at the Foreign Office. He therefore

told

told Bingham the British Government had noted with the greatest satisfaction your attitude towards the situation developing in connection with the Italian-Ethiopian war, specifically your acts in establishing an embargo on war material under the neutrality act, and particularly your additional measure warning Americans they would sail on Italian ships and do business with Italians at their own risk.

Hoare also expressed a satisfaction he restrained with difficulty that a message he had just received from Washington indicated that Secretary Hull was contemplating the extension of the embargo to petroleum, cotton, copper, steel and other products.

Hoare would make it appear, in writing to Osborne, that you would go even further, and further than the Secretary if you were perfectly sure of the reaction of American opinion. This opinion, he gathered, you thought to be almost unanimously against Italy in the present circumstances. He said you were represented as being especially sensitive to this condition of the American mind and desirous of being especially careful not to exceed what Americans in general would seem likely to sanction,

sanction, whatever your own feelings might be.

The question of the mobilization of the signatories to the Kellogg pact was carefully considered by the Foreign Minister and his advisers, and after reflecting as to how the matter might best be initiated (it was assumed that you and the Secretary were quite anxious to act but were uncertain as to just how you should do so) three alternatives were listed:

First: initiation by the League;

Second: initiation by Great Britain, and

Third: initiation by our own Government.

One was rejected because it was felt it might be interpreted by the American public as drawing our Government too much into the sphere of League influence. Two was rejected because it was felt this also would excite American prejudice and make it appear that we were being subtly influenced to play Great Britain's game, and so Osborne is informed, Bingham is told that in the view of the British Government, it would be best for you, the President of the United States, untrammled and of your own will and judgment, to take the initiative in calling upon the Kellogg signatories

signatories for a declaration against the course that has been taken by Italy and in support of the League and of sanctions.

The report then states that Secretary Hull felt this third course would not be the best one, but preferred that some one of the Kellogg pact signatories, as distinct from Great Britain and the League as an organization, should start the ball rolling.

Here the correspondence on this phase of the matter stopped.

The important thing seems to be: that you are understood to be quite ardently pro-League and pro-British and intent upon doing something to make sanctions so effective that Italy will be rapidly and actually stopped. You are regarded, it seems to me, as committed rather more to stopping the war than to keeping us out of war. There is a clear indication that you would like to do more if you only had the latitude to do so and were sure of American opinion; that your neutral position and your desire to keep our Government absolutely unentangled marches, not much perhaps, but slightly to the rear.

Incidentally it is mentioned, in connection with American policy, that the line you are understood to favor  
may

may serve to bring the Germans out into the open so their real attitude will become clear, and that it is hoped the American policy will have its effect also upon any undue ambitions on the part of Germany and on the part of Japan.

Again, incidentally, it would appear that Hoare and Bingham discussed the approaching Naval Conference and that Bingham informed Hoare he hoped very much that only he and Admiral Standley would compose the American delegation as he wished to handle the conversations himself. Bingham said he expected to leave London about the middle of December and would be unable to return until February and expressed the hope that Hoare would postpone the opening of the naval conversations until that date. Hoare informs Osborne it would be impossible to wait so long and indicated he would not be affected by the Ambassador's suggestions.

I have the feeling it may be rather unsportsmanlike to report this, but I also feel my loyalty to the interests of the Country, to you, to the Secretary, to Billy Phillips and to Norman Davis take precedence.

GREAT

GREAT BRITAIN'S PLAIN STATEMENT OF HOW  
THE ITALIAN AGGRESSION IS REGARDED.

The next section of papers consists of a communication from Hoare to Drummond reporting an almost heart-breaking conversation between Van Sittart and Grandi, and a series of reports from Drummond in Rome to Hoare in London. This material is voluminous, but I set down what I recall trusting I have retained the main points and that they will be clear:

Grandi apparently called at the Foreign Office about October 6th. The next day Van Sittart reports he began his conversation with him by expressing his profound distress that Grandi had not been more frank with him on an occasion, evidently just a day or two previous, when he had stated that the Italian Government would "merely initiate some protective measures". Van Sittart pointed out that this imprecise and restricted assertion represented, to no degree whatever, what had actually been done by the Italian Government and that a communiqué (evidently reporting the crossing of the Mareb by the Italian troops) issued at Rome, clearly indicated that what had taken place was a plain and unprovoked aggression on a major scale, which did violence to almost every international commitment to which Italy was a party.

Van Sittart

Van Sittart said that if Grandi would like to know to what agreements he referred, he meant the Tri-partite Treaty of 1906, the Italian-Ethiopian Treaty of 1928, the covenant of the League of Nations and the Kellogg pact.

Grandi made an ineffectual effort to harmonize his original statement and the action revealed by the communiqué, but Sir Robert would have none of it, telling the Ambassador plainly the Italians had seized some 2,000 square miles of Ethiopian territory and had precipitated, by taking the aggressive, a perfectly ghastly situation which would lead on to the most terrible and horrible consequences unless the Italians should recede.

It is evident Sir Robert was going to extreme lengths of candor, not only for the purpose of leaving Grandi under no misconception as to how the British Government took the Italian action, but also for the purpose of making the record and for future precise and definite reference. He recalled to Grandi the fact that the Italians had agreed with the British and the French in thinking, in 1914, when the French had retired ten kilometers within their eastern frontier, that the Germans were certainly aggressive when they crossed that frontier and attacked. Grandi had made

some

some illogical statement about its being necessary, as a defensive measure, to go across the border and attack the Ethiopians. Sir Robert asked Grandi to consider whether the Italians, in crossing the Ethiopian border, after the Ethiopians had fallen back, were not in precisely the same position as the Germans in 1914 which Italy had so completely condemned. Sir Robert added that if it was glory Italy was after, it would seem that having taken and avenged Adowa, there was glory enough, and that if blood had to be shed for glory, certainly sufficient blood had flowed to satisfy any justifiable Italian aspiration.

And he said almost imploringly he hoped Italy would go no further, would spare the world the sorrow and the woe that otherwise would be brought upon it. He spoke long and earnestly about what the Italian initiative would entail if the situation were not righted. But apparently Grandi only listened in a somewhat grim and defiant silence, as Sir Robert reports that when he made it clear that not a single one of the efforts made by the British and the French and the League had met any response of accommodation on the part of Mussolini or his Government, Grandi merely remarked that as far as he personally was concerned he devoutly hoped the Italian troops would not stop but would go straight ahead to their objectives.

Throughout

Throughout the interview Sir Robert refrained from anything in the nature of threat. He confined himself to setting forth the facts and clarifying them, pointing to the almost inevitable consequences and indicating the course he felt the Italian Government should follow: namely, to desist before it was too late.

Sir Robert's record of the conversation is eloquent of the deep psychological difference between the two men, the two races and the two governments they represent. Without at any time departing from friendliness or losing his dignity in the least, Sir Robert pleaded appealingly for a review by the Italians of what was involved and the extension of some opportunity which would enable everyone concerned to work out a settlement which he felt had now been so much jeopardized by the Italian precipitation.

The despatch does not record how the interview ended or anything further from Grandi than the rather truculent statement I have noted above that he hoped the Government would persevere in what it had set out to do.

THE SITUATION

THE SITUATION IN ITALY.

In his despatches to the Foreign Office, Drummond's fundamental thesis is that Mussolini is not bluffing, that he has not bluffed from the first, that he will not bluff, that he will not reduce his conditions of settlement, and is determined to go forward until he is stopped; that if and when he is stopped he will attack Great Britain and the other League powers wherever he thinks he can do so with best prospects of success and will make his own overthrow as costly a business as possible for Great Britain and France and everyone concerned. He conceives of Mussolini as having had a dream which developed into a deliberate intention, a firm decision and the present actual Italian initiative.

Drummond reports in his communications a number of interesting conversations with colleagues and others, and incidentally discloses the very considerable distrust the British continue to feel for French official policies and measures. He tells of Chambrun's having come to see him to urge the idea of an early settlement of the war on some terms or other - almost any terms if only it can be done at once. Drummond tells Chambrun that better progress  
might

might have been made but for Laval's maneuvers in Rome and more recently at Geneva reporting to the Foreign Office in London that he could not forbear the thrust. Chambrun smiled and took it in good part and returned earnestly to his suggestion, pointing out how disastrous it would be for things to go on to a point where Mussolini's rule might be shattered in Italy and Italy might revert to a state of anarchy. Chambrun stated he knew the Catholic church, which was extremely wise in such matters, felt certain that without Mussolini, Italy would fall completely into the hands of the communists. He then brought forth, as a suggestion, the plan put forth by Sugimura, the Japanese Ambassador in Rome, that the rim of Ethiopia might be given to the Italians, while the Emperor could be left at Addis Adaba in Central Ethiopia, the old Kingdom remaining under some sort of a supervision, possibly by the League of Nations.

THE FRENCH IDEA.

Drummond indicated he did not think much of this plan and presented various objections, Chambrun countering by saying the boundary lines were not very precisely demarked, to which Drummond replied that the treaties seemed to de-  
fine

define them accurately enough. Chambrun also said persuasively, that the inhabitants of Central Ethiopia made incursions into this outer region to capture slaves. This, also, was not cogent for Drummond who then, with considerable point, showed that neither the League nor the Negus could be expected to accept such an arrangement which would, in fact, be putting a premium upon the Italian aggression and be rewarding the Italians very considerably for all they had done in contravention of all their engagements.

It rather appears in Drummond's view that the French are still squirming, more to escape the irksomeness of the obligations upon them than to do something effective in the nature of the fundamental justice the situation requires. The French, since events seem to have made them do for the British vis-a-vis Italy what they had always expected to be able to induce the British to do for them as against Germany, find themselves in most serious embarrassment and particularly at a time when conditions in France are strained and disturbed.

Chambrun informed Drummond it was imperative for Laval to remain in power. Chambrun also informed Drummond - and apparently this was confirmed to him later

by

by the Papal Nuncio; it is also confirmed by Montgomery's reports to Hoare, as will appear later - that the church also greatly desired an early solution and had been using all the influence it could for over a year to bring about some settlement, even though it should be a limited one. To this Drummond replied, and so reported to Hoare, that he had found no convincing evidence in any quarter of any diminution of Mussolini's intention to get one hundred percent of what he wanted, and that since Mussolini had taken the initiative in creating the situation, he would have to take the initiative in making some reasonable settlement of it possible, and that he was awaiting such an initiative.

ITALY SUGGESTS CHAOS IN EUROPE.

Drummond also reports a conversation with Suvich, the Italian Under Secretary for Foreign Affairs. Suvich apparently attempted to impress Drummond with the seriousness of the probability that intransigence - as he would have it - in the British attitude and that of the League would make war in Europe inevitable, and as an indication of what was happening already, he told Drummond he had positive information that Von Papen,  
on

on behalf of Germany, was urging upon the Austrians - who were not entirely unresponsive:

1. The removal of restrictions upon Austrian Nazis;
2. The removal by Germany of all restrictions upon travelers and tourists going into Austria from Germany;
3. A point which I do not now recall; and
4. That Austria should declare herself a German state, but, and, although, quite independent.

Drummond did not seem to be particularly impressed or distressed by this picture and reported an effort by Suvich - which he said was a wearisome repetition of what he had often heard - to bring it out that Great Britain did not really care about the League but had her own objectives in view and was merely using the League for selfish purposes.

Drummond reports he rebutted all this, as he constantly does, since practically all Italians take it for granted that Great Britain simply cannot be acting in good faith in upholding the League and League ideals.

Drummond

THE QUESTION OF THE DUCE'S MIND.

Drummond next reports a conversation between Mussolini and the former King of Spain, of which he heard from a trustworthy colleague, in which Mussolini declared his determination not to recede an inch in his emprise or to desist for a moment in carrying it out; expressed intense irritation with the British and swore roundly at Benes.

Drummond's following communication relates at length a conversation with one, Theobaldi or Theodeschi, an old acquaintance. (I am not sure about this name but apparently Drummond is referring to one of the Italian representatives near the League who has been for a number of years in South and East Africa.) This Italian, apparently with some authority to do so, although he disclaimed to be speaking in other than a personal capacity, plunged into the whole situation from the beginning. He calmly assumed Great Britain's support of the League was hypocrisy; he disclosed assumptions so complete in the sense that Ethiopia must become Italian that it would

seem

seem he and his fellow Italians had never had to perform any mental gymnastics whatsoever to attain this viewpoint. He, like Chambrun, was extremely anxious for an early settlement so Italy would not be forced to desperation. He pointed out that at first the war in Ethiopia had not been in the least popular, but that now, on account of the British pressure as exerted through the League and directly, Italy was united as one man behind Mussolini and that if sanctions or other measures should become so effective as to defeat the Italians, they would retaliate, he felt sure, by causing as much damage as they possibly could for England and for Europe. He said the Italians realized they could not win in the end in a war against England and the League; that they would lose Somaliland, Eritrea, the Dodecanese and possibly all their other possessions in the eastern Mediterranean and Africa, and that chaos would supervene in Italy, but that notwithstanding all this, Italy was resolved to sell her life as dearly as possible in case she were defeated in the present unavoidable undertaking. His idea seemed to be to pass the initiative, based upon a fear of an outcome such as he had described, to the British.

Drummond said he did not see what could possibly be done until the Duce would limit his objectives and would

give

give some indication that he had done so. Theodeschi (?) repeated that Italy had not been enthusiastic about the war at first but had now become united by British pressure.

Drummond inquired of his interlocutor whether Italy's aggression should be rewarded by Great Britain's coming to her assistance. Theodeschi (?) indicated that Great Britain could do what was necessary by using her influence with the Negus, but Drummond disclaimed any such influence and protested at length the disinterestedness of the British Government, pointing out how necessary it was to uphold the League and the only machinery extant for the preservation of peace and civilized ideals.

During one of the foregoing conversations - I do not remember which - one of his visitors reported to Drummond that the Chilean Ambassador in Rome had had a conversation of over an hour with Mussolini and had found him greatly depressed by the attitude and stubbornness of the British Government. Drummond did not think this was enough to cause him to change in any way his fundamental thesis; that Mussolini is - at least up to the present - determined and unyielding. I think he is right not to

be impressed by the report of the Chilean Ambassador, Rivas Vicuña, who was formerly my Colleague here in Lima. He is a frail little man physically, but has a head for intrigue and an extreme anxiety to be in all the movement and all the know and he is bold in approaching vital sources. I should, however, be inclined to discount the significance of what Mussolini may have said to him or his report thereof.

CONDITIONS IN ITALY.

In the last of Drummond's reports he undertakes to analyze the probable length of the Italian effort as affected by sanctions, and to weigh the value of an early - as contrasted to a more tardy - settlement, disclosing that up to the present, at least, and for the immediate future, the British have, with the utmost caution and patience, played for time, hoping to avoid war and physical encounters, and that League pressure would halt the Italians, prevent war and enhance League prestige. He considers the extent of Italian resources. He reports an extended conversation between the press attache of the British Embassy in Rome, the Under Secretary of the Colonies and some important professor, apparently connected with the Ministry of the Colonies. The Under Secretary  
left

left for Eritrea just after the conversations reported took place. The press attache and the Under Secretary of the Colonies, both declaring that they spoke in their private capacities and without any ability whatsoever to commit their principals, went over the situation from start to finish, covering much the same ground that Drummond had covered in his various conversations.

The press attache, meeting the same cynicism as to the motives animating the British, met them with the same arguments and pointed out that the League and the Ethiopians would, perforce, have to agree to any arrangements suggested before settlement could be effected. The Under Secretary and the professor undertook to convey the impression, being careful to foreswear responsibility, that Mussolini was prepared to yield somewhat, but they were informed by the press attache that no evidence of this kind could be detected in any quarter.

The press attache, from some source I could not determine, but apparently a member of the Italian Government who had spoken not only to the press attache but to two or three other people who had in turn reported to

Drummond

Drummond, stated that gold reserves would probably hold out no longer than the end of February and that the food situation was safe until next June. The press attache stated, however, that it had been impossible to discover what reserves of petroleum, coal and iron Italy might depend upon.

PSYCHOLOGICAL DIFFERENCES.

Again in this conversation, as in the conversation between Van Sittart and Grandi and between Drummond and Theodeschi (?) and Drummond and Chambrun, the mental conceptions and the psychology of the Anglo-Saxon and the Latin races becomes intensely apparent. The Under Secretary of the Colonies, and the professor accompanying him, also assume - without the least difficulty - the perfect propriety of the Italian undertaking and of the Italians being where they are, without its ever occurring to them that this needs any explanation or justification. They merely wish to get the obstacle of British opposition out of the way and are irritated and affect to be amazed that it cannot be done. The fact that the Emperor of Ethiopia and the League of Nations must accept whatever arrangements are arrived at for a settlement of the strife apparently is for them a point of no importance and this, of course,

course, grows logically out of the idea that the British are merely cynically looking after their own interests.

Drummond points out to his callers that the Italians could have had a solution and a very good one on Eden's original proposals which, I believe, Mussolini flouted by stating that Italy was not interested in deserts, and Drummond states that the difficulty with the Italians is that they take every proposal made to them by the League, France and Great Britain as the end and not the beginning of a negotiation. The weakness of the British fleet, formerly so often mentioned, does not appear in these last despatches at all. The keynote in all of them is insistence by all of the British spokesmen on Great Britain's respect for the sanctity of contracts and for international engagements and her disinterested support of the League in the interest of world peace and of civilization, all exactly as set out in Hoare's speech of September 11, before the Assembly of the League of Nations.

It is revealing to read these despatches and to realize that although the British are accused, even by ourselves, of being adepts at clothing their selfish purposes with the most grandiose and impressive of moral principles,

principles, there is no conscious hypocrisy apparently in what is sent out from the Foreign Office as instructions to officers in the field or what is sent back to London as reports to the Foreign Minister. There is, indeed, even more disinterestedness and a further view into the future than would have seemed possible, in view of the fact that as between themselves, the British have no propaganda interests to serve. They are either quite sincere or have most effectively hypnotized themselves or are subtle and dissembling beyond the bounds of imagination.

It appears - chiefly from Drummond's reports - that at present Great Britain is playing for time and has not yet abandoned this policy, whereas both the French and the Italians, with the possible exception of Mussolini himself, seem bent upon the earliest possible settlement, even though incomplete and unsatisfactory, which will save Italy's face and prevent a debacle of the Fascist regime which the French and Italian spokesmen named above insist they fear.

Under the sanctions theory it looks as if fate and events were going to place the effective decision in this war in the hands of our own Government, and unless we choose to ignore Italian animosity towards us as being

the

the authors of their misfortune on the one hand, and the frustration of the League's peace efforts and its resentment on the other, we shall have many things to consider in making such a decision. We shall in any event. At this moment it would seem a pity that our recent legislation did not give you greater latitude, as you desired at the time, so that from the start and prior to the League's action, the embargo could have been extended to oil, copper, cotton, iron, steel, etc., thus avoiding the placing of our Government in the invidious position of being the nation which must give the coup de grace to the Mussolini adventure.

ALTERNATIVE EARLIER OR LATER SOLUTIONS.

Drummond - almost, but not quite - as if he were recommending to his Government that it should consider whether the waiting policy should be abandoned or not, weighs the factors for an early and limited settlement which might be brought about by precipitating matters and thus possibly leave Italy and the Fascist regime intact. Over against this he places the present policy of waiting on events and adjusting to them with a possible  
fall

fall back into communism and anarchy for Italy as the slow pressure of sanctions finally undermines the present undertaking and overthrows the Fascisti, and an invitation to Germany to profit by the situation to reach for what she wants in Eastern Europe, with the hint in the background that this will lead to action by France and then the successive tumbling down of all the toy blocks and the initiation of the next world war. He does not go further, however, than to excite awareness to what is involved in both courses. He ends, as he began, by saying that he is sure Mussolini intends-regardless of consequences-to go on to the end and he seems to share the feeling of some of his interlocutors that if Mussolini is stopped he will turn and rend, in whatever way he can, those he considers responsible for his defeat, making them pay as dearly as possible for the destruction of his dream.

HOARE'S POSITION VIS-A-VIS FASCISM  
AND WAR WITH ITALY.

The next document is a despatch from Hoare to Drummond reporting a conversation with Grandi in London. Hoare pointed out to the Italian Ambassador, in the most precise manner, that the British Government did not have for an object the destruction of Fascism and that the British Government emphatically would not take the initiative in  
starting

starting a war with Italy. He reasoned that since this was the case, no war between Great Britain and Italy could possibly take place unless Italy should take the initiative.

Grandi stated, as quoted by Hoare, that it "would be madness for Italy to make war on Great Britain". Hoare then opened the way for the Italian Ambassador to make suggestions or to give some indication as to what Mussolini might be inclined to do, but Grandi confined himself to saying that he could not undertake to say how the Duce might react to the statements that Hoare had just made.

This communication seems to have been somewhat of a key or basic statement of the British position, as it is referred to in other important communications, and particularly by Van Sittart, in a subsequent conversation with the French Ambassador in London, Corbin.

ATTITUDE OF ITALIAN PEOPLE.

There follow a number of despatches from Drummond to Hoare transmitting information Drummond has picked up in various quarters and reflecting, as far as he is able

able to do so, the character of Italian opinion. In doing the latter Drummond depends considerably upon the reports of British consular officers stationed throughout Italy.

Drummond reports to his chief, for what it may be worth, a statement from "someone close to Mussolini" to the effect that the fire-eating elements among the Fascisti had become so troublesome and insistent that he was obliged to initiate the war in Ethiopia when he did to get them out of Italy and to keep them from tearing the place all to pieces. It appears in several of the communications that the Fascisti extremists - the younger and more hot-headed members of the organization who are fanatically loyal to Mussolini - are the ones who have most controlled the developments in the situation all along and still have the most powerful hand in the determination of Italian opinion and policy.

Drummond reports further that his informant understands it was Mussolini's intention to become more receptive to proposals for bringing about the ending of the war as soon as he could show some striking victory in Africa.

In a

In a long and somewhat detailed report, qualified from time to time as he goes along by the necessary cautions and exceptions, Drummond reports that throughout Italy there is an almost complete absence of any comprehension of the British policy, British motives or the British point of view. Where opinion is more articulate, it ascribes selfish and cynical intentions and will not be convinced of any real disinterestedness on the part of Great Britain.

Drummond says that as he sees it, the African war is most popular in northern Italy and decreases steadily in favor as one goes south. In the north he reports that the wheat growers in the Po Valley are happy over the increase in the price of wheat, while the manufacturing interests, most especially in Milano, whose business has been enormously expanded, are enthusiastic for the war; that is, the industrialized and agriculturally most wealthy and progressive part of the country is the section most ardently in favor of war.

Drummond encloses a report from the consul at

Leghorn

Leghorn and refers to the opinions of British observers who have been long resident in Florence and elsewhere, to the effect that the British are treated with the greatest consideration and even friendliness almost everywhere, stating that most of the people simply do not comprehend why the British are against them and do not take the trouble to find out. He says he has direct evidence that the Government in Rome has given instructions to subordinate officers that foreigners are to be treated with every consideration.

The Consul at Leghorn distinguishes the Fascisti - the younger and more ardent members - as being vigorous proponents of the war, but reports that the "popolini", while they often hear about the war, do not know a great deal about it and merely regard it with favor because they have a vague feeling that new land, new opportunities and something better for them may be in store! The more thoughtful people, the Consul concludes, without becoming enthusiastic about the war, have become somewhat alienated as friends of Great Britain because of the pressure the British have been bringing against the Italian Government and of which they have read, not only in the subsidized and controlled Italian press, but, unfortunately, in the French and British press as well.

Consul

Consul Dodds at Palermo reports a somewhat similar situation but a much greater state of bewilderment, less interest and far more ignorance among the people in Southern Italy and Sicily. He, too, stresses the impulse given to the Government's efforts in Africa by the more militant Fascisti.

THE POSITION OF THE POPE.

I next read a series of reports from Hugh Montgomery, the British representative near the Vatican, reflecting the attitude and feelings of the Pope and his advisers. Montgomery points out that the Pope receives daily thousands of letters from people all over Italy who report the most distressing possible conditions of life. He says the Pope is an extremely kindly and sensitive man, that he wants very much to relieve this distress, but finds it impossible to do so under present circumstances, and that this is one of his strongest motives for wishing an early termination of the war.

He next remarks that near to the heart of His Holiness are the very numerous Catholic missions throughout  
the

the world and particularly among the black people and in great territories controlled by the British. He observes, incidentally, that he knows nothing would disturb the Pope more, for instance, than to have the British lose control of India. The Pope does not wish any continuation of the war to jeopardize the work being carried on by these many Catholic missions.

Montgomery next indicates that the abiding fear of the Vatican is the menace represented by the Soviet Government, its ideals and its growing influence in international affairs. The Pope, he says, does not wish Italy to be so weakened that the Soviets will be able to go any further towards undermining religion and thus the Catholic church. And this again gives him a motive for desiring an early solution of the Italian-Ethiopian difficulty.

Montgomery also reports the Pope as being extremely secretive and as being a good deal of a problem for his assistants and advisers who do not always know what he may have done in various quarters.

Montgomery reports conversations with Pacelli and more with the Under Secretary for Foreign Affairs at the Vatican, whose name, at the moment, I do not exactly recall but is something like Razetti. This Under Secretary  
apparently

apparently has been remarkably frank. He states that the church feels rather kindly towards Mussolini who has been more fair and reasonable with it than any preceding Italian Government, and that in spite of the fact that Mussolini himself is a good deal of a heretic and a heathen and this procedure has suited Fascisti purposes, the church is nevertheless grateful.

The Under Secretary added that Mussolini might scare Italians by talking loud, but that that sort of thing was no good where foreigners were concerned and that he thought Mussolini had erred in imagining he could frighten them.

The Under Secretary sincerely regretted the present impasse and added that unfortunately Mussolini had gone so far he could not go back; he thought, however, that Mussolini would now be found to be in a more yielding frame of mind. The Under Secretary eventually, as he talked on, disclosed a good deal of sympathy with the Italian case, speaking of the necessity for expansion, the background of the international negotiations concerning Ethiopia, etc., and eventually inquired why the

British

British government had not taken advantage of various opportunities to compose matters before they had come to the present deadlock.

This Under Secretary appears to be somewhat scheming and a trifle Jesuitical. He was all for condemnation of Mussolini's course in the earlier reports, but in the later communications he was finding a good many excuses for it and seeking, with some subtlety, to pass the buck to Montgomery and the British Government. He wanted to know why the British Government had not followed up the Italian initiative. Montgomery was somewhat mystified by this, but the Under Secretary brought it out that at a certain stage (I regret I do not recall what this was) the Italians had made a public declaration of some kind which the Under Secretary interpreted as holding out an opening of which the British might have taken advantage. Montgomery indicated to his chief in London he thought this a far-fetched interpretation of the Italian statement whatever it was, saying it was so non-committal that he, personally, would never have been able to interpret it as a deliberate move on the part of Italy to give the British a chance to speak to them. He said as much to the Under Secretary.

The

The Under Secretary of the Vatican next suggested that the British and French might easily get together again and call in the Italians for another three-cornered conversation which would produce a feasible formula.

As a third suggestion, he argued for the most gradual possible approach to sanctions, indicating that he thought this might give the peace makers an opportunity.

FRENCH INFLUENCE.

In several of his despatches, Montgomery reports conversations with the French Ambassador to the Vatican, Charles-Roux, both preceding and following his conversations with Pacelli and his understudy. The French Ambassador confirms most of Montgomery's understandings as to the attitude of the Pope, and he also, in various ways, rather sides with the position of the church, indicates his sympathy with the Italian position and exercises a somewhat gentle but persistent influence for an early settlement which will save Italy's face and its interests. Like others, he points to probable disastrous consequences that may flow from British intransigence,

and

and one gathers that he is quite in line with Laval and Chambrun.

GREAT BRITAIN SPEAKS PLAINLY TO  
FRANCE ABOUT THE LEAGUE.

The next document is a communication from Hoare to Sir George Clerk in Paris, recording a conversation between Van Sittart and Corbin, the French Ambassador, in London. In this conversation Van Sittart not only makes the point which Hoare made in his conversation with Grandi - reported above - namely that Great Britain has not set out to accomplish the destruction of Fascism and has no intention of initiating a war by attacking Italy, but makes it clear that Great Britain will not countenance the use of the League by the French for any narrow and exclusively French purposes.

Van Sittart goes to some length to tell the Ambassador that the French Right and Center parties are indulging in a serious misconception if they think for a moment that Great Britain has any other idea than that of sustaining the League as a broad international organization of the highest and most sacred character and far above and beyond any immediate nationalistic advantages. Very plainly indeed, but without offensiveness, Van Sittart

lets

lets the French Ambassador know that the Center and Right parties in France must change their orientation and join Great Britain in supporting the League as the best expression yet achieved of civilized and high ideals and an inspiration for a higher order of existence. He set forward the collective ideal in an almost solemn and religious fashion, charging what he had to say with emotion and deep feeling. One notices in all of Van Sittart's reports the strength and artistry of the texture of his conversations and most unusual skill in endowing his words with significance and moral meaning.

The French Ambassador - possibly as the result of the power of suggestion in Van Sittart's remarks - speculated as to the degree to which Germany, Poland and Hungary had been able to form an alliance and whether Italy would be taking a part in it. Van Sittart thought that there were evident signs that progress had been made, by the countries named, towards an understanding, but he was not definite as to whether Italy would join Germany, Poland and Hungary. The French Ambassador put forth the idea that a gradual approach to sanctions  
would

would be the best course but was informed politely, shortly and most definitely that the British Government was quite determined to have sanctions applied and to do so as soon as possible.

GERMAN ASPECTS.

In taking up the German phase of the correspondence, I return to one of Drummond's reports from Rome, in which he relays to Hoare the substance of a conversation he had with the German Ambassador to the Quirinal upon the return of the latter from a leave of absence spent in Berlin.

The German Ambassador stated he had had several long talks with Hitler and informed Drummond that Germany had no intention of doing anything in the direction of Austria; that this was equally true so far as Memel and Lithuania are concerned; that Germany did not sympathize with the Italians in what they were doing in Ethiopia and had been unimpressed by Italian arguments to the effect that Great Britain intends to smash Fascism and as soon as that is done, means to turn its attentions to the Nazis.

The Ambassador referred to the recent visit of Gömbös to Berlin, indicating that while it had started out as a more or less personal visit, circumstances had turned it  
into

into a political one, but that there was nothing to fear as to an understanding between Germany, Poland and Hungary, and that Italy would not be included in any case.

The next paper is a despatch from Phipps, the British Ambassador at Berlin, to Hoare, in which he undertakes to reflect the state of German opinion. What he stresses most is the complete incomprehension in every quarter of what the British are trying to do and an inability, rather than a disinclination, to perceive that the British are disinterested in their support of the League. He makes it clear that he can find no where in Germany nor in the reports of the British consuls throughout the country, any sympathy for the Italians, confirming statements Van Sittart made to Corbin in the conversation reported above, that since the Italians had tricked the Germans on more than one occasion, the Germans were not disposed to forget it or to help Mussolini save his face, or to get the Italians out of their difficulties.

With regard to the alliance with Poland and Hungary,

Phipps

Phipps does not think that Germany is yet prepared to go very fast or very far, and he feels certain Italy will not be asked to join. Phipps states, as a general proposition, that all Germans hate the Italians, but that as Italy represents classicism, the south and all the galmour of the two, there is not a German in the country who does not wish to travel there.

I was next able to read an instruction to Phipps from Hoare in which Hoare reports a conversation with the German Ambassador in London, following the Ambassador's return from a six weeks' absence. Hoare states that he has not seen the Ambassador very often and then goes on to say that he found the conversation at the beginning extremely difficult on account of the Ambassador's constant aspersion of the French and the French nation, making it almost impossible to avoid seeming to share his opinion or to ignore the implication of what the Ambassador was saying. Hoare gave the Ambassador the same points about the British position that he had given Grandi and that Van Sittart had reported to Corbin, namely that Great Britain was not seeking the destruction of Fascism and had no intention of attacking Italy but had adopted a policy of supporting the League  
for

for collective peace and security and as the best balance wheel in the tempests of the modern world.

The German Ambassador informed Hoare that his Government, and he himself, were delighted with the reply the British had given the French with regard to what they would do in supporting the French in the case of an aggression. He added there was no sympathy whatever for Italy in Germany so far as the Ethiopian war was concerned. Hoare then passed from general considerations as to the necessity of upholding the League and safe-guarding the peace, to a very full and definite statement that Great Britain in Luthuania and at Memel had not hesitated to use every influence it possibly could to control the situation and to bring about a reasonable attitude on the part of the Luthuanians, indicating he hoped very much it was recognized in Germany that Great Britain had done her best to bring about an appeasement and a solution of this problem. He said these efforts might have been much more successful if it had been possible to get the Italians to cooperate more effectively with  
the

the British and French as they were obliged to do under the mandate given them by the League.

The Ambassador undertook to put Hoare's mind at rest with regard to the German's intentions towards the East, particularly at Memel, saying he was certain Germany would not take aggressive action or launch any attack.

#### A U S T R I A .

The following paper is a communication to the British Minister in Austria reporting a visit at the British Foreign Office of the Austrian Ambassador in London. Hoare and Van Sittart being away, the Ambassador was received by the third in command who, I believe, is named Elliott. The Ambassador had called in connection with Austria's decision not to follow the League in applying sanctions to Italy. He hoped very much the British Government was not "angry" with Austria.

The Foreign Office spokesman was rather high and mighty with the Ambassador and the urbanity invariably used by Hoare and Van Sittart was absent. The spokesman reminded the Ambassador of Austria's duties under the covenant, pointed out how difficult it was for the League to carry through its plans if its members did not act in accord with their obligations, and gave the Ambassador  
somewhat

somewhat of a spanking.

The Ambassador apparently took this more meekly than would have been supposed. He said Austria, on account of her geographic situation and economic condition, could not possibly take on two powerful enemies; that she was placed between Germany and Italy; that relations with Germany were bad enough and that for reasons of expediency - if for nothing else - Austria was compelled not to alienate the Italians. The Foreign Office spokesman returned to his admonitions and the Ambassador finally left, saying again he hoped Great Britain was not "angry" with Austria and would not do anything. The Foreign Office spokesman indicated this would depend entirely upon the degree to which the measures adopted by the League - that is sanctions - might be effectively counteracted by the Austrian position and this hole in the circle around Italy.

The spokesman regretted Austria's having sacrificed principles to expediency and hinted ways would have been found to take care of the Austrians had Austria remained faithful to the League and its sanctions.

HUNGARY.

H U N G A R Y.

The following paper is a communication from Hoare to the British Minister in Budapest, reporting a conversation with the Hungarian Minister in London, on the occasion of a call at the Foreign Office in which the question of sanctions is discussed in somewhat the same way as with Austria, after which the conversation turns to the Gömbös visit to Berlin and a possible combination of Germany, Poland, Hungary and Italy. The Hungarian Minister intimates that the Gömbös visit was originally personal in character, that circumstances may have given it a political tinge, but that Gömbös does not represent the feeling of the present Hungarian administration and particularly of the Hungarian Foreign Minister. There is the intimation, too, that Hungary's position is controlled by expediency and the matter of the combination with Germany and Poland is left somewhat in the air.

C H I L E.

A report from Cavendish Bentinck in Santiago, Chile, describes a request made by the Italian Minister there for various measures with the press, in the cinemas and elsewhere so that nothing offensive to Italians will be done. This very much surprised Cruchaga, the Foreign Minister, who indicated to the British Minister he would pay no  
attention

attention to the Italian representative's suggestions.

ARGENTINA.

Finally, there is a communication from Hoare to the British Minister in Buenos Aires telling him that Malbran, the Argentine Ambassador in London, has informed the Foreign Office that Argentina, in the matter of sanctions, will comply fully with her obligations under the League.

I beg to add a remark or two of a general character which may make the foregoing documents somewhat more significant:

GENERAL.

The unity and power of the manner in which the policy of the British Government is being carried out by the Foreign Office and its Foreign Service is extremely impressive. There is a minimum of confusion and contradiction, although it is evident that the various officers cannot be always in the closest of touch with each other. However, so well is the basic policy understood that in their separate conversations the Foreign Office officers and the representatives abroad rarely err in giving disparate

statements

statements or misinterpretations.

It is again noteworthy that the British insist their major purpose - they even insist strenuously at times their sole purpose - is to support the League and the collective system and wherever this is not admitted, they claim there is a complete failure to comprehend the British point of view.

I wonder if you have read the "International Conciliation", Document No. 314 of November, 1935? It publishes an article entitled "Abyssinia", taken from "The New Statesmen and Nation" of September 7, 1935, said to be written by a "group of expert students of international affairs", which criticizes severely and searchingly the policy followed by the British Government since the early autumn of 1934.

This rather impassioned document would have it that precisely what the British mean to do and must do is to smash Fascism. And yet Hoare and Van Sittart go out of their way to say that precisely what Great Britain does not intend to do is that, and whether the Italians really believe this is the British purpose or not, they have been busy telling the Germans that it is and that the Nazis will come next.

So far

So far as it is based on hind-sight, this article seems to me to underestimate the crude difficulties the Government has actually to deal with in carrying out its foreign policy, and that even though much of the criticism is justified, the assured statements that certain consequences would have followed a different course of action are predictions extremely difficult to prove valid. The writers, who remain anonymous, are chiefly concerned with the preservation of the League - just as the British Government is, to be sure - but argue it could have been, and should be done by a different course of conduct. They impress me, however, despite the penetration of their analysis and their boldness in presenting their constructive suggestions, as being the kind of people who stay at Capitals and juggle with international affairs on paper and know but little about the actual face of such affairs as they occur out on the fringes of the world and away from the center of policy and its execution.

I note once more - and with amazement - the absence  
of a

of a single word regarding any control whatsoever of population, despite the fact that the pressure surplus numbers create is the basic fact in all this present trouble. The idea that something should be done about it never seems to enter the mental horizon of any of the responsible statesmen.

Here in Peru the Italians continue to spread their propaganda and it is having its effect. There is no doubt that opinion in general, on account of racial sympathies and because of this propaganda, is veering towards Italy. Mussolini's aggression has been displaced by other considerations and almost forgotten. Peruvians do not think about the present struggle. They merely feel about it. Moral aspects, legal rights, political and economic considerations weigh for very little. League obligations are irksome in this instance as they have proven to be before - during the Leticia struggle, for example - and Peruvians in general would like to escape them.

The extremely evasive and noncommittal reply to the Italian Government regarding sanctions, which is tantamount to a communication to the League, is therefore  
generally

generally approved and Peru seems likely to avoid taking a stand any more definite for as long as possible.

I cannot discover that the French are doing much here. The British are more active but less effective than the Italians, which is not surprising in view of the power of the Italian Bank, the Italian character of the church, the numerous Italian colony, the wide ramifications of Italian business within the country, and above all, Latin and racial sympathies.

My British colleague occupies himself with ascertaining the actualities. He tells me a story is current that Great Britain failed to warn Italy in time of the serious consequences that would result from the initiation of a war in Africa. He says he has papers to show that Italy was warned repeatedly and in the most solemn manner and cannot allege the contrary or that they would not have gone to war if they had known how seriously the British would take it.

Reports concerning Canada's retention of a free hand so far as a petroleum embargo is concerned have attracted considerable attention, but for the most part Peru waits  
upon

upon events and will move but slowly, I believe, observing, meanwhile, the letter rather than the substance of her League obligations.

May I lighten this report for you at the close - if you have come this far - by repeating for you Dorothy's verse on:

"The Fascisti".

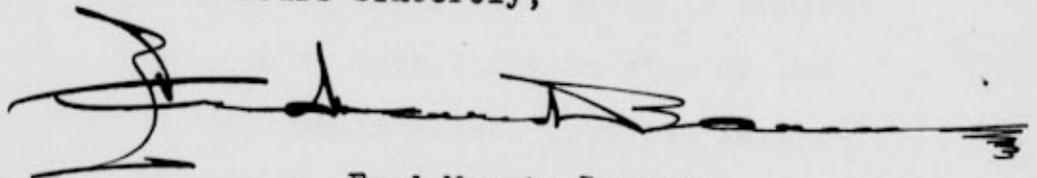
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"The boys from Italy"

"O! What a pity".

With warmest good wishes as always,

Yours sincerely,



Fred Morris Dearing.

P.B. Dorothy disclaims authorship.  
Says her's was about the  
"Nazis"

"Nothing but Nazis  
Nazis but Nuts"

P.P.S The Italian Bank here is lending money  
to the Government for public works and has  
just loaned a second sum of 500,000 sales at 7%. F.M.D.

THE WHITE HOUSE  
WASHINGTON

December 16, 1935.

MEMORANDUM FOR  
THE SECRETARY OF STATE.

TO READ AND RETURN.

DEPARTMENT OF STATE  
RECEIVED  
DEC 18 1935  
OFFICE OF THE SECRETARY

F. D. R.

*Letter now 3/35  
from Mr. Manning & Associates*

PSF Peru

See State  
to read + return

Lima, November 3, 1935.

Personal

Dear Mr. President:

If I were in a position to make my will effective, here is some "must" and "shall" legislation I would cause to be enacted for the improvement of conditions in the Foreign Service, and in recognition of its importance as our first line of providence and defense in all times of international danger; as our instrument for promoting peace and making contributions to the joint civilization of the world; and as the bearer of American pragmatism and idealism.

I say "some" because there are many other things that could be done, many that should be tested, in conducting our participation in the life of the world, and in cooperating in great common enterprises. My narrower objective in

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

this letter is the Service itself and certain conditions which prevent it from being the free and effective organism it should be. I am eager to excite your personal enthusiasm for it; for that arm of the national administration which, though the smallest of all, is more than any other your special instrument for the execution of the national policies in our country's relations with all the other countries of the world - a field of most varied and special conditions. I would intrigue you deeply in the improvement of conditions, equipment and personnel, in ways I shall shortly suggest. I do not give them in the order of their importance - all are important. I seek merely to set out things I believe we should do, feeling certain, once your mind and heart are engaged, you will wish, and will find the way, to do them.

I. Provision for the Widows of Foreign Service Officers.

Nothing, in my opinion, would do more to liberate Foreign Service officers from present limitations and constraints than the passage of the Copeland Bill making provision for the widows of Foreign Service officers.

officers. Once assured that his wife will be cared for, the officer recovers the use of his personal funds and is no longer compelled to devote them to provision for the future - to insurance and savings; he is no longer the prey of anxiety, but a free agent with resources at his command. Where salaries are meager this is the more desirable. But most important of all is relief from worry, - in the face of the hardships of residence and travel in foreign countries - as to what will happen in the absence of any provision for his family. Or perhaps I should say the most important effect of the enactment of the Bill would be the recognition it would give, after long and blind neglect, of the debt owed by the Government to the wives of our officers stationed abroad; women whose work is no less important than that of their husbands and has been given no less loyalty and devotedly to their country. Ask Mrs. Roosevelt about this.

So far as I am able to judge, Senator Copeland's bill does quietly and efficiently what should be done.

Establishment of its provisions could not possibly cost the Government much money and to meet that cost is an obligation that should be discharged. I know of no one thing that would be so liberating and so stimulating to the men who must deny themselves all the opportunities of American life in order to work throughout their lives, far away, and under many adverse conditions and climes so the lot of our people at home may be happier, than to make this provision for their wives. These men deserve to have their present uneasiness and distress taken from them so they may devote themselves and their resources to the work they must do.

## II. Retirement Allowances.

I am convinced the scale of retirement pay is too low. Do you remember the scorn Congress brought upon itself for its meanness to the volunteers and the wives of the volunteers who gave their lives in yellow fever investigations? It is strange how generous we are as a nation, how rigorous and unfeeling as a Congress. The present treatment of Foreign Service officers all but parallels that accorded the  
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fewer volunteers. Some Foreign Service officers may, at times, have billets that are soft, but for most the span of thirty years or more test their moral and physical endurance to the utmost. There should be no parsimony, therefore, in caring for them after retirement. It is regrettable that they have been compelled to contribute to the retirement funds from salaries already exiguous. The requirement is not economical. It is sharp.

And lest the fear be aroused that an unwarranted precedent would be established by more substantial appropriations for retirement allowances, let me point to the wholly special and exceptional character of the circumstances in which the Foreign Service must carry on its work, and to its representative character. As in your own case, it is invested with the representation of our one hundred and thirty millions of people. It is beneath dignity, therefore, to retire our major representatives on a maximum of six thousand dollars a year upon which the national income tax must yet be paid. And this maximum goes only to Ambassadors and

Ministers. This is not retirement but obscurity; oblivion even. Some more generous scale should be adopted for requiting veteran representatives to whom the country owes more than it will ever realize, who have but few years before them when at last they come home to pass the brief evening of their lives. As in the cases of those countries which most respect their envoys, Foreign Service officers should be retired on full salary; certainly on eighty percent, at least, of the rate of salary for the last five years preceding retirement. And under the Copeland Bill (to which I have referred above), this allowance should be continued to widows until their death, unburdened by imposts or taxes. The payments will not continue for many years except in the rarest instances and the recipients will never, under any circumstances, be more than a handful. The criticism of favoritism can be met by pointing to the value of the services rendered, the circumstances of especial difficulty in which they were rendered, and the Government's manifest capacity and duty to pay for them.

### III. Buildings for our Foreign Service Establishments.

The matter of buildings for the Nation's representatives

tives abroad is gradually receiving more of the attention it requires but needs a much more comprehensive treatment than the organization in charge of it at present can give it. The Foreign Service Buildings Office does the best it can, I have no doubt, under the limitations now existing, but it should be provided with ample appropriations, a comprehensive plan and all the expert personnel the plan requires. Every Embassy and Legation should have a notably excellent location, extensive grounds if possible, an absolutely adequate set of buildings equipped with every convenience demanded by climate and local conditions; should be furnished in the best of taste, and should be placed under the management of a superintendent assisted by the necessary servants, including cooks, butlers, men servants, maids, gardeners and chauffeurs. His accounts should be separate from those of the Mission proper. Like the Head Usher at the White House, the superintendent should be subject to the control of the Chief of Mission, who should, however, be his collaborator as well as his superior.

Every Consulate General, every Consulate and every Consular agency should be similarly treated, with a due

sense of proportion to be sure, but no establishment anywhere should be in any sense inadequate; and those in unhealthful places, in isolated and backward places, in the far north or in the distant tropics should be given especial attention to offset the rigors of climate, the prevalence of unsanitary conditions, natural drawbacks and disease.

At present we are picking up a house here and there and have a heterogeneous collection of left-overs from expositions, ex-bachelor quarters, marble palaces, vain-glorious private residences, and the results of poker games, which, I submit, is no way to do things for a country like ours. It is our establishments that give the impression of permanence. Good buildings, well maintained, win good will and pay the compliment of appreciation and friendly regard to the people of the countries where they are placed. For the assurance of our prestige, the accomplishment of our purposes and the housing of our representatives they are indispensable. We do not know what we have lost by not having them because we have never had adequate establishments, or indeed, even an adequate conception of what we should have. For the price  
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of a couple of battleships we could have commensurate and suitable Embassies, Legations and Consulates throughout the world, and an endowment for their upkeep and maintenance. I will leave you to judge what will do the most for our people and their policies, and for peace and a better world: two warships or seventeen Embassies, forty-four Legations and some three hundred Consulates - a world-wide Foreign Service plant.

The Foreign Service Buildings Office does the best it can. But what is needed is an exhaustive direct study and follow-up of each case on the ground by a competent and permanent Commissioner, assisted by a standing committee of architects, decorators, landscape gardeners, builders, etc., until the original establishment has been set up; and thereafter an organization for upkeep, replenishment, repair, change from time to time, and the sale of old and the acquirement of new properties as events may require. Such a world-wide plant will be a paying investment too. I have never known of an instance in the past thirty years when it would not have been to our advantage to have bought and developed properties

that were, from time to time, available to us. All are today worth far more than the prices at which they were offered to our Government.

IV. Motor Cars for Foreign Service Establishments.

It always makes me mad when I see my Colleagues from great empires, middle sized nations and tiny republics riding about on their official business in motor cars supplied by their governments, and when I find my own Naval Attaché doing the same thing, while I, the Chief of Mission and entrusted with your commission, have to fight with McCarl like a bay steer for enough taxi fare to go to the Foreign Office to discuss a treaty to promote trade between our two countries, and the protection of the interests both of our poor fellow citizens and of companies having at stake hundreds of millions of dollars. What benighted thought is it that keeps Congress from providing cars for our representatives abroad? Under present day conditions a car is as indispensable as a house. What would you do in Washington without an automobile? As your deputy I, too, represent a hundred and thirty million people amidst the millions in this country. Why, then, should the Government not give me a vehicle

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for the performance of my official duties? It gives me telephones and typewriters, desks and filing cabinets. An automobile is no less but much more necessary. We cannot sit still or expect everyone to come to us. The statutes enjoin us not to use personal funds for official Government business. Should the General Accounting Office wink at our doing so? The Foreign Service needs transport as much as the army or the navy. The motor car is an American achievement; it has remade the world. American representatives should be furnished with cars of the most recent manufacture, and I am sure that an approach to the best manufacturers would produce a scheme which would supply them to Missions and Consulates abroad at a minimum of expense.

V. Representation Allowances.

And there is another subject - time honored and tedious perhaps - which stirs my ire as an American, a taxpayer, a patriot and an Ambassador: why can we not, as a nation, act like gentlemen and entertain as we are entertained? An officer's salary belongs to him because it is payment for his services. Official entertainment

is the Government's business and should be paid for by the Government. Again I remind you that under the law an officer may not expend personal funds for official purposes. Some entertainment is useless and does not get the business of the Government forward. But that could be eliminated and I am talking about the kind that does get the Government's business forward. It is a question of judgment; one that must be left to the officer at the post. Moreover, just let one of our representatives abroad fail to entertain some visiting Congressman, or to put him in touch with the people he wishes to meet, and see what happens! You yourself, better than anyone, know the importance of being able to extend to all a gracious and kindly courtesy; of being able to entertain. Properly done, such entertainment becomes that happy association of men and women assumed to be the object of civilization itself. Consider that the Foreign Service is small, that entertainment is significant, that the cost is a small item in our budget, and you will feel, I am sure, not only that the representation allotments provided in principle by the Act of February 23, 1931, should be restored, but  
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should be made as large as the field officer estimates, and should be given to him untrammelled by any but the most general accounting requirements.

In the ideal establishment suggested above, the whole business of entertainment could be managed by the superintendent of the establishment and his staff as directed by the Chief of the Mission and his wife. I leave you to say whether a gracious and attractive representation would not benefit the prestige of our Government and the prosecution of our policies and business.

#### VI. Income Tax and Foreign Service Salaries.

When, because of the depression, it became necessary for the Government to economize, Foreign Service men were glad to bear their part of the burden, but it seems to me it was an error to impose upon them the income tax from which they were formerly free. If it was proper in the first case to exempt them - and all other Americans living abroad for more than six months in the year are exempted - certainly that exemption should have been continued. I understand it was never really intended to

lump Foreign Service officers abroad with Americans at home, but that in the stress and confusion of the time, the Department was unable to present the case of their very special situation and circumstances so that they could be excluded from the blanket requirement; that any exceptions then would have been misunderstood. However that might be, would it not be possible now to restore them to their former status? It costs them from five to ten percent of their yearly salaries to pay their income tax; they live practically all the time abroad - not just six months in the year; their necessities remain but their resources have decreased; (there was a time two years ago when we had in actual income less than twenty percent of our former normal means;) and the bulk of their expenditures must be made in foreign lands with dollars that have been devalued.

VII. The Devalorization of the Dollar as it affects the Foreign Service.

This introduces a subject on which I could be voluble for hours, namely, the reduction by forty percent of our dollars, our only means of obtaining abroad (where only buyers, i.e. the Foreign Service officers, are affected, the sellers receiving what they received before) the things we need. I know that in

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some countries restitution was made, and that in other countries partial restitution was made, but in still others, and Peru is one of them, no restitution whatever was made, and with all due respect to Lew Douglas, Bill Phillips, Wilbur Carr, Herbert Hengstler, Congress and yourself, it seems to me that a very simple situation was complicated by a desire "not to increase salaries", and a refusal to look beyond "gold standards" and "exchange rates and records", that not only was a damaging discrimination set up but that an attempt was made to establish an impossible standard.

The painful situation created by the devaluation was real. The simple remedy for the Foreign Service and other Government employees abroad, all of whom everywhere were affected alike - each lost forty cents of his dollar - was to restore all or part of that cut uniformly throughout the Service. They were treated uniformly before. And for a very good reason. The laborer is worthy of his hire. Officers were paid what their services were worth. No attention was given, and properly so, to the standard of living of the officers. They were paid what their services were worth and did for themselves

the best they could in the matter of living standards in whatever country they found themselves. It was a mistake to single out gold-standard countries for restitution and on so entirely arbitrary a basis as three or five year exchange records. What is the use of camouflaging the issue? Your intention was not to save money in meeting a human emergency but to meet the emergency. It is impossible to establish the same living conditions in all lands. A dozen eggs will always cost different prices in different countries, regardless of exchange. The simple and natural and fair thing to do was to restore all or part of the devaluation everywhere and let the officers fare as they fared before. What difference did it make to our Government that here in Peru the Sol had fallen? Whether we were better off or not vis-a-vis Peruvian money, prior to the devaluation forty cents was taken by the devalorization from every one of our dollars, and we could only get forty cents less exchange no matter what the value of the Sol might be. Our Government ought not to expect to reap the benefit of fortuitous conditions like those determining the

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varying state of Peruvian exchange. To pay the Foreign Service on that basis would create endless confusion. No exceptions should have been made in relieving Foreign Service officers from a terrible predicament, which, while it hit hardest those in gold countries, hit all alike, and, so far as the dollar is concerned, to the same extent. The fact that to relieve those in non-gold countries by restoring the cut would have made conditions a little easier for them should have given our Government no concern whatever. If you owe two men ten dollars each for services, and one lives at the Ritz in New York and one lives in a shanty in Alabama, are you going to pay the latter only six because his cost of living is lower? I still think that however good the intention, the scheme adopted - ignoring as it did price increases in non-gold countries, centering on exchange rates for an arbitrary period and the amount of exchange and substituting a sameness of conditions impossible of realization for the worth of the services rendered, was wrong and I hope you will feel some day that you can make up the difference to those officers in non-gold countries whose case has

hardly been met by a recently granted but far too meager cost of living allowance (which was reduced this year when both prices and exchange rates are moving against them and continue to do so.) The restoration of the value taken from the dollar should be uniform throughout the Service, and I venture to say it should be the full forty percent. After all, your Foreign Service is your instrument for conducting foreign relations and for avoiding war. Its cost is but a few millions a year. Its efficiency should not be impaired by pennywise economy. I do not need to remind you of the cost of wars. It is better to pay a little and avoid them.

VIII. Length of Tenure of Office.

There are so many things I should like to suggest but I shall mention but one or two more;- your Foreign Service officer should be a cosmopolitan and trained for Foreign Service, not just for service in London or Mexico or Siam alone, but anywhere. No man is indispensable or should be allowed to become so; and no matter what his special gifts, this should be especially true of Foreign Service officers. They should

should be available for service in every place where the need arises and no member of the Service should be allowed to preempt desirable or important posts, or be kept too long at dreary and unhealthful ones. My suggestion is that no Counselor or First Secretary should be allowed to remain anywhere for more than four years - as in the Department - and that no Service Chief of Mission should be permitted to retain a post for more than four years, except under the most unusual circumstances; that even then he should have no extension for more than two years. We shall not have a Foreign Service unless the men become truly cosmopolitan, can go anywhere and perform effectively at once; unless they have experience so broad that performance everywhere will be on the same high level of efficiency. Foreign Relations are not relations with some countries but with all of them; we are dealing with the whole world; specialists should be assistants to your commissioned representatives.

IX. Accounts.

I wish, also, that a disbursing and accounting

officer could be assigned to every mission and large consular offices. What is the use of training men to be Foreign Service officers, of paying them the salaries of Foreign Service officers, if they are going to be kept fencing with the Comptroller's office half the time to save a few cents? Their duties are different, they are paid to carry them out and they should attend to them.

X. Private Secretaries - Law of February 23, 1931.

Finally, I wish Congress could be induced to fertilize that fallow provision of the law of February 23, 1931, prescribing private secretaries for Ambassadors by appropriating the funds necessary to procure them. If you will take a squint at Miss Le Hand or Mr. McIntyre the next time either comes into the room, you will know what we should like to have. We need such assistance. Every Chief of Mission must conduct a flood of apparently personal but really vital correspondence - as you do yourself, I am sure - if he is truly to represent his country and its interests and is to give his office any prestige, and get his work done.

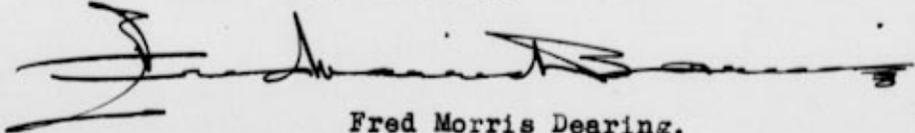
Some other day when we shall, I hope, be talking

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in Washington or Hyde Park, you must let me bring up the subject of general appropriations, the preparation of Foreign Service men, selections, appointments and transfers in the Foreign Service, the coordination of Home and Field Service, the administration of personnel, and a lot of other things near your heart and mine. But now I must relieve the fatigue of your attention and thank you most gratefully for listening to what one Foreign Service man has blurted out, the first one, I believe, to have started in the lowest grade and to have served in all grades up to the top. He has an abiding interest in the fate of the Foreign Service - your chief instrument of statecraft - every member of which wishes it tempered to the finest steel.

With warmest good wishes, believe me,

Yours very sincerely,

A handwritten signature in dark ink, appearing to read 'Fred Morris Dearing', written in a cursive style with a long horizontal flourish extending to the right.

Fred Morris Dearing.