

● PSF

Russia

1932-33

PSF
Russia

EXECUTIVE BOARD
OF
UNITED RUSSIAN NATIONAL ORGANIZATIONS
IN AMERICA

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New York City

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MR. BORIS BRASOL
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REV. ALEXANDER KUKULEVSKY
MR. I. I. SIKORSKY
Executive Secretary

November 3, 1932.

**United Committee of Russian
National Organizations in New York:**

1. *All-Russian National Peasants' Alliance, Inc., New York.*
 2. *Russian War Veterans, New York.*
 3. *Russian University League of America.*
 4. *Association of Former Russian Naval Officers in America.*
 5. *Society for the Relief of Russian War Invalids outside of Russia.*
 6. *Russian People's Center of Harlem.*
 7. *Society of Russian Veterans of Detroit.*
 8. *Russian Alumni Association.*
 9. *Russian Women's League of the Republican Party.*
 10. *Christian Russian National Students' Society.*
 11. *Circle of Russian Culture.*
 12. *Society for the Aid of National Russia.*
New York Chapter
Bronxville Chapter
- Russian National League:**
1. *Russian National Society of Bronxville.*
 2. *Russian National Society of New York.*
 3. *21st Branch of the Russian Mutual Aid Society.*
 4. *Society of Russian Engineers.*
 5. *Russian National Club of Waterbury, Conn.*
 6. *A. B. C.*

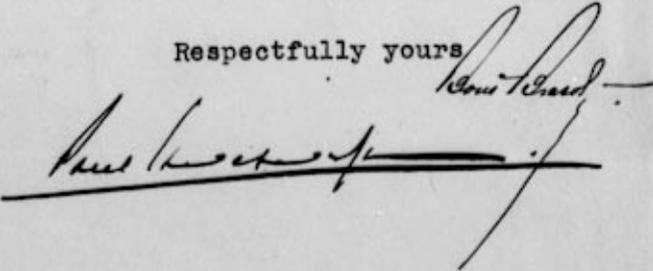
Honorable Franklin D. Roosevelt,
Democratic Nominee for the Office of
President of the United States,
Albany, New York.

Sir:

We were confidentially advised by Prince Serge Gagarin of his recent interview with you in Hyde Park relative to your general attitude towards the question of recognition of the Soviet regime by the United States. With profound satisfaction we learned that, if elected President of the United States, you would have no intention of granting diplomatic recognition to the Soviet government.

It is our understanding that, in the course of his conference with you, Prince Gagarin made reference to the All-Russian Union in America, with an aggregate membership of 50,000 voters. On our own part, we wish to endorse wholeheartedly the statement left with you by Prince Gagarin, and, in view of your attitude on the subject, we shall strongly recommend to our member organizations to give you their support at the polls.

Respectfully yours

Paul Chavchavadze


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COMP: _____

PSF Russia

Conf.D/C.G/36.

Geneva, February 6th, 1933.

LEAGUE OF NATIONS.

CONFERENCE FOR THE REDUCTION AND LIMITATION OF ARMAMENTS.

GENERAL COMMISSION.

DEFINITION OF AGGRESSOR (Draft)

Declaration by M. Litvinoff (U.S.S.R) at the meeting
of the General Commission on February 6th, 1933.

The Secretary-General has the honour to communicate to the members of the General Commission the following letter and declaration by M. Litvinoff.

Geneva, February 6th, 1933.

In accordance with the statement I have just made to the General Commission, I have the honour to forward to you herewith the text of the draft proposal which the Soviet delegation submits to the General Commission, and which I request you will put before this Commission for consideration simultaneously with that of the proposal of the French delegation.

(Signed) M. Litvinoff.

(Translation furnished by
the U.S.S.R. delegation).

DEFINITION OF "AGGRESSOR" (Draft)

DECLARATION.

The General Commission,

Considering that, in the interests of general security and the facilitation of the attainment of an agreement for the maximum reduction of armaments, it is necessary, with the utmost precision, to define aggression, in order to remove any possibility of its justification;

Recognising the principle of equal right of all States of independence, security and self-defence;

Animated by the desire of ensuring to each nation, in the interests of general peace, the right of free development according to its own choice and at the rate that suits it best, and of safeguarding the security, independence and complete territorial inviolability of each State and its right to self-defence against attack or invasion from outside but only within its own frontiers, and

Anxious to provide the necessary guidance to the international organs which may be called upon to define the aggressor -

Declares :

1. The aggressor in an international conflict shall be considered that State which is the first to take any of the following actions:

- (a) Declaration of war against another State;
- (b) the invasion by its armed forces of the territory of another State without declaration of war;
- (c) bombarding the territory of another State by its land, naval or air forces, or knowingly attacking the naval or air forces of another State;
- (d) the landing in or introduction within the frontiers of, another State of land, naval or air forces without the permission of the government of such a State, or the infringement of the conditions of such permission, particularly as regards the duration of sojourn or extension of area;
- (e) the establishment of a naval blockade of the coast or ports of another State.

2. No considerations whatsoever of a political, strategical or economic nature, including the desire to

exploit

exploit natural riches or to obtain any sort of advantages or privileges on the territory of another State, no references to considerable capital investments or other special interests in a given State, or to the alleged absence of certain attributes of state organisation in the case of a given country, shall be accepted as justification of aggression as defined in clause 1.

In particular, justification for attack cannot be based upon:

A. The internal situation in a given State, as for instance:

- (a) political, economic or cultural backwardness of a given country;
- (b) alleged mal-administration;
- (c) possible danger to life or property of foreign residents;
- (d) revolutionary or counter-revolutionary movement, civil war, disorders or strikes;
- (e) the establishment or maintenance in any State of any political, economic or social order.

B. Any acts, laws, or regulations of a given State, as for instance:

- (a) the infringement of international agreements;
- (b) the infringement of the commercial, concessional or other economic rights, or interests of a given State or its citizens;
- (c) the rupture of diplomatic or economic relations;
- (d) economic or financial boycott;
- (e) repudiation of debts;
- (f) non-admission or limitation of immigration, or restriction of rights or privileges of foreign residents;
- (g) the infringement of the privileges of official representatives of other States;
- (h) the refusal to allow armed forces transit to the territory of a third State;
- (i) religious or anti-religious measures;
- (k) frontier incidents.

3. In the case of the mobilisation or concentration of armed forces to a considerable extent in the vicinity of its frontiers the State which such activities threaten may have recourse to diplomatic or other means for the peaceful solution

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tion of international controversies. It may at the same time take steps of a military nature, analogous to those described above, without, however, crossing the frontier.

The General Commission decides to embody the above principles in the convention on security and disarmament, or in a special agreement, to form an integral part of the said convention.

PSF: Russia

No. 1299

Riga, Apr. 20, 1933.

Subject: Draft Commercial Treaty having special
Relation to Russia.

The Honorable
The Secretary of State,
Washington, D.C.

Sir:

Having regard to current discussion of relations between Soviet Russia and the United States,
1/ I have the honor to enclose herewith a draft treaty which I have prepared in order to facilitate the possible study of this subject, and to bring into the light certain of the practical difficulties which must be overcome in the event of official negotiations being undertaken between the two Governments. In composing the draft now submitted, I have been guided especially by the treaty between the United
States

States and Germany (Treaty Series No. 725), which, so I understand, represents in relatively satisfactory form, what we look upon as a proper legal basis for friendly relations. Into this text I have woven by amendments, additions, and omissions, language which, considering the peculiar legal structure of the Soviet Government, gives promise of guaranteeing about the same things as we concede to and expect from Germany. Departures from the original American-German text are underscored.

In connection with any conceivable treaty negotiations, it may be well to take into account the expectation of the Russian Government that Powers entering into relations with it shall be reasonably familiar with the special nature of the Russian régime, and, therefore, prepared to give up any expectation that their citizens in Russia shall be treated in accordance with anything resembling Western European legal procedure. This expectation is revealed in the Moscow PRAVDA, No. 105, of April 15, 1933, which contains the official Russian record of a conversation which took place on March 16th between Mr. Litvinov and the British Ambassador in Moscow. In the course of the conversation, according to the Moscow version, Mr. Litvinov made the following statement:

"In reestablishing relations with us, England
was

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was aware that we had laws other than the laws of England and methods of criminal investigation other than England."

Respectfully yours,

Robert P. Skinner
Robert P. Skinner.

Enclosure:

1. Draft Commercial Treaty having special Relation to Russia.

(In quintuplicate)

631 R-U.S.

RPS/lr

A true copy
of the signed
original.

PREAMBLE

The United States of America and the Government of the Union of Soviet Socialist Republics, equally recognizing the desirability of effective measures for the protection of their several interests, and being animated by the wish to maintain in perpetuity peaceful and friendly relations, and each being determined to respect the Government and the institutions of the other, recognizing the right of each nation to maintain that form of government deemed most suitable by its people for the maintenance and progress of its political, social, and economic establishments, have resolved to conclude a treaty for this purpose and have named as their plenipotentiaries:

Article 1

The nationals of each of the High Contracting Parties shall be permitted to enter, travel and reside in the territories of the other; to exercise liberty of conscience and freedom of worship; to engage in professional, scientific, religious, philanthropic, manufacturing and commercial work of every kind without interference; to carry on every form of commercial activity which is not forbidden by the local law; to own, erect or lease and occupy appropriate buildings and to lease lands for residential, scientific, religious, philanthropic, manufacturing, commercial and mortuary purposes; to employ agents of their choice, and generally to do anything incidental to or necessary for the enjoyment of any of the foregoing privileges upon the same terms as nationals of the state of residence or as nationals of the nation hereafter to be most favored by it, submitting themselves to all local laws and regulations duly established, all of the foregoing on the basis of complete reciprocity.

The nationals of either High Contracting Party within the territories of the other shall not be subjected to the payment of any internal charges or taxes other or higher than those that are exacted of and paid by its nationals, and all charges and taxes may be paid in the money of account of the state of residence.

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In no case shall their rights be diminished or impaired by reason of their social or professional status, or because of their religious beliefs or racial origins; nor shall they suffer from any discrimination on these accounts.

The nationals of each High Contracting Party shall enjoy freedom of access to the courts of justice of the other in conforming to the local laws, as well for the prosecution as for the defense of their rights, and in all degrees of jurisdiction established by law.

The nationals of each High Contracting Party shall receive within the territories of the other, upon submitting to conditions imposed upon its nationals, and on a basis of reciprocity, the most constant protection and security for their persons and property, and shall enjoy in this respect that degree of protection that is required by international law. Their property shall not be taken without due process of law and without payment of just compensation.

Nothing herein contained shall be construed to affect existing statutes of either country in relation to the immigration of aliens or the right of either country to enact such statutes. Each of the High Contracting Parties agrees to receive without objection those persons whose deportation or expulsion from the territory of the other is desired, who have entered such territory as nationals of the other whether they have retained or forfeited their original nationality.

Article II

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With respect to that form of protection granted by National, State or Provincial laws establishing civil liability for injuries or for death, and giving to relatives or heirs or dependents of an injured party, a right of action or a pecuniary benefit, such relatives or heirs or dependents of the injured party, himself a national of either of the High Contracting Parties and within any of the territories of the other, shall regardless of their alienage or residence outside of the territory where the injury occurred, enjoy the same rights and privileges as are or may be granted to nationals under like conditions, but nothing shall be claimed in the territory of one of the High Contracting Parties which is not granted in like conditions in the territory of the other High Contracting Party.

Article III

The dwellings, warehouses, manufactories, shops and other places of business, and all premises thereto appertaining of each of the High Contracting Parties in the territory of the other used for any purposes set forth in Article I shall be respected. It shall not be allowable to make a domiciliary visit to, or search of any such buildings and premises, or there to examine and inspect books, papers, or accounts, except under the conditions and in conformity with the forms prescribed by the laws, ordinances and regulations for nationals;

but

but no such examination or inspection shall take place without notice to the owner or duly appointed agent of such buildings or premises in which shall be set forth the object of the examination or inspection and the authority of the person by whom it is to be made.

Article IV

Where, on the death of any person holding real or other immovable property or interests therein within the territories of one High Contracting Party, such property or interests therein would, by the laws of the country, or by a testamentary disposition, descend or pass to a national of the other High Contracting Party, whether resident or non-resident. ... (Omission of twenty words from German treaty.) such nationals shall be allowed a term of three years in which to sell the same, this term to be reasonably prolonged if circumstances render it necessary, and withdraw the proceeds thereof, without restraint or interference, and exempt from any succession, probate or administrative duties or charges other than those which may be imposed in like cases upon the nationals of the country from which such proceeds may be drawn. Social and economic legislation shall not be construed as limiting the rights next above set forth.

Nationals of either High Contracting Party may have full power to dispose of their personal property
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of every kind within the territories of the other by testament, donation, or otherwise, and their heirs, legatees and donees, of whatsoever nationality, whether resident or non-resident, shall succeed to such personal property and may take possession thereof, either by themselves or by others acting for them, and retain or dispose of the same at their pleasure, subject to the payment of such duties or charges only as the nationals of the High Contracting Parties within whose territories such property may be or belong shall be liable to pay in like cases.

Article V

The nationals of each of the High Contracting Parties in the exercise of the right of freedom of worship within the territories of the other, as herein above provided, may, without annoyance or molestation of any kind by reason of their religious belief or otherwise, conduct services either within their own houses or within any appropriate buildings which they may be at liberty to erect and maintain in convenient situations, provided their teachings or practices are not contrary to the Christian religion, and they may also be permitted to bury their dead according to their religious customs in suitable and convenient places established and maintained for the purpose, subject to the reasonable mortuary and sanitary laws and regulations of the place of burial.

burial.

Article VI

In the event of war between either High Contracting Party and a third State, such party may draft for compulsory military service nationals of the other having a permanent residence within its territories and who have formally, according to its laws, declared an intention to adopt its nationality by naturalization, unless such individuals depart from the territories of said belligerent party within 60 days after a declaration of war.

(Note: The above Article VI is repeated from the treaty with Germany, but might well be omitted in any treaty with Russia. - R.P.S.)

Article VII

Between the territories of the High Contracting Parties, there shall be freedom of commerce and navigation. The nationals of each of the High Contracting Parties equally with those of the most favored nation, shall have liberty freely to come with their vessels and cargoes to all places, ports, and waters of every kind within the territorial limits of the other which are or may be open to foreign commerce and navigation. Nothing in this treaty shall be construed to restrict the right of either High Contracting Party to impose, on such terms as it may see fit, prohibitions or restrictions of a sanitary character designed to protect human, animal or plant life, or regulations for the enforcement of immigration.

immigration, police or revenue laws.

Each of the High Contracting Parties binds itself unconditionally to impose no higher or other duties or conditions and no prohibition on the importation of any article, the growth, produce, or manufacture, of the territories of the other than are or shall be imposed on the importation of any like article, the growth, produce or manufacture of any other foreign country.

Each of the High Contracting Parties also binds itself unconditionally to impose no higher or other charges or other restrictions or prohibitions on goods exported to the territories of the other High Contracting Party than are imposed on goods exported to any other foreign country, except as provided in this article.

Any advantage of whatsoever kind which either Contracting Party may extend to any article, the growth, produce, or manufacture of any other foreign country, shall simultaneously and unconditionally, without request, and without compensation, be extended to the like article, the growth, produce or manufacture of the other High Contracting Party.

Having regard to the differences between the systems of government prevailing in the territories of the High Contracting Parties, having regard to the fact that the United States of America permits the importation, exportation, purchase and sale of goods

goods on the part of its nationals, and the further fact that the Government of the Soviet Union controls the foreign commerce of Russia through its own organs, the Government of the Soviet Union binds itself, each year, in return for the privilege of access to the markets of the United States to purchase and import goods being the growth, produce or manufacture of the United States in quantities and values at least equal to the quantities and values of goods of Russian origin imported into the United States during the preceding calendar year.

All articles which are or may be legally imported from foreign countries into the ports of Russia, in Russian vessels, may likewise be imported into these ports in United States vessels, without being liable to any other or higher duties or charges whatsoever than if such were imported from foreign countries in Russian vessels.

With respect to the amount and collection of duties on imports and exports of every kind, each of the two High Contracting Parties binds itself to give to the nationals, vessels and goods of the other the advantage of every favor, privilege or immunity which it shall have accorded to the nationals, vessels and goods of a third State, and regardless of whether such favored State shall have been accorded such treatment gratuitously or in return for reciprocal compensatory treatment. Every such favor, privilege or immunity which shall hereafter be granted the nationals,

nationals, vessels or goods of a third State shall simultaneously and unconditionally, without request and without compensation, be extended to the other High Contracting Party, for the benefit of itself, its nationals and vessels.

The stipulations of this Article shall apply to the importation of goods into and the exportation of goods from all areas within the customs lines of both High Contracting Parties, but shall not extend to the treatment which either Contracting Party shall accord to purely border traffic within a zone not exceeding ten miles (15 kilometers) wide on either side of its customs frontier, or to the treatment which is accorded by the United States to the commerce of Cuba under the provisions of the Commercial Convention concluded by the United States and Cuba on December 11, 1902, or any other commercial convention which hereafter may be concluded by the United States with Cuba, or to the commerce of the United States with any of its dependencies and the Panama Canal Zone under existing or future laws.

Having regard to the differences between the systems of government prevailing in the territories of the High Contracting Parties, it shall be free to the Government of the United States of America, so long as the other High Contracting Party limits or maintains as a monopoly the importation, exportation, purchase and sale of goods on the part of its nationals, to apply similar measures as respects the im-
portation

portation of goods from the territory of the other High Contracting Party, either by the application of similar means of control or by a restriction upon the total quantity of goods to be imported from the territory of the other High Contracting Party either as respects the totality of such importations or as respects particular categories of goods. It is furthermore agreed that the application of restrictive measures of the kind next above authorized shall not affect in any manner the full application by both High Contracting Parties of the other provisions of this treaty not inconsistent with the provisions of the present article.

Article VIII

The nationals and merchandise of each High Contracting Party within the territories of the other shall receive the same treatment as nationals and merchandise of the country with regard to internal taxes, transit duties, charges in respect to warehousing, and other facilities and the amount of drawbacks and bounties.

Article IX

No duties of tonnage, harbor, pilotage, lighthouse, quarantine, or other similar or corresponding duties or charges of whatever denomination, levied in the name and for the profit of the Government, public functionaries, private individuals, corporations or establishments of any kind shall be imposed in the ports of the territories of either country upon the vessels of the other, which shall not equally, under the same conditions, be imposed on national vessels. Such equality of treatment shall apply reciprocally to the vessels of the two countries respectively from whatever place they may arrive and whatever may be their place of destination.

All duties or charges, of whatever denomination, as mentioned in this article, may be payable lawfully in the currency of the territory of the High Contracting Party where the vessels of the other High Contracting Party shall be found.

Article X

Merchant vessels and other privately owned vessels under the flag of either of the High Contracting Parties, and carrying the papers required by its national laws in proof of nationality shall, both within the territorial waters of the other High Contracting Party and on the high seas, be deemed to be the vessels of the Party whose flag is flown.

Article

Article XI

Merchant vessels and other privately owned vessels under the flag of either of the High Contracting Parties shall be permitted to discharge portions of cargoes at any port open to foreign commerce in the territories of the other High Contracting Party, and to proceed with the remaining portions of such cargoes to any other ports of the same territories open to foreign commerce, without paying other or higher tonnage dues or port charges in such cases than would be paid by national vessels in like circumstances, and they shall be permitted to load in like manner at different ports in the same voyage outward, provided, however, that the coasting trade of the United States is exempt from the provisions of this Article and from the other provisions of this Treaty, and is to be regulated according to the laws of the United States in relation thereto. It is agreed, however, that the nationals of either High Contracting Party shall within the territories of the other enjoy with respect to the coasting trade the most favored nation treatment.

Article XII

Having regard to the differences between the commercial systems of the High Contracting Parties it is hereby stipulated that the U.S.S.R. will be permitted to maintain within the territories of the United States trading corporations or associations for the purpose of carrying on commerce between the territories
of the

of the High Contracting Parties. It is hereby specified that no commercial transactions within the United States shall be undertaken for the account of the U.S.S.R. by the diplomatic mission of the U.S.S.R. or any branch thereof and that all necessary transactions and operations of a commercial character shall be entrusted to corporations or associations set up for this purpose by the U.S.S.R., and that such corporations and associations shall be amenable to the laws of the United States and of the States and territories subject to the jurisdiction of the United States in the same manner and to the same extent as limited liability and other corporations and associations; and that lists of such corporations and associations, together with the names of the officers shall be transmitted annually to the United States Government.

It is agreed, with respect to corporations and associations formed by, or for the account of the U.S.S.R. within the territories of the United States, that they may not engage in retail business with the public unless authorized to do so by the Secretary of Commerce of the United States, and shall abstain from any acts whatsoever other than those appropriate to their commercial character.

Having regard to the differences between the commercial systems of the High Contracting Parties, it is likewise agreed that in the matter of employment of merchant shipping there shall be complete reciprocity

reciprocity of favors and facilities extended to vessels of both countries; that in so far as the Government or the trading organizations of the U.S.S.R., either directly or by agents, make use of merchant shipping of other countries for their carrying trade between the ports of the High Contracting Parties, the U.S.S.R. will employ merchant shipping under the flag of the United States of America, price and conditions being equal, in preference to merchant shipping of other countries; it is further agreed that it shall be open to either of the High Contracting Parties to call the attention of the other to any failure in the application of the foregoing principles, and to agree with the other, annually, upon a precise shipping program, the purpose of which shall be to assure the merchant vessels of both High Contracting Parties a fair measure of employment in the carrying trade between them, it being understood that a fair measure of employment means an approximately equal division between the vessels of both countries of the carrying trade between the two High Contracting Parties.

Limited liability and other corporations and other associations, whether or not for pecuniary profit, which have been, or may hereafter be organized in accordance with and under the laws National, State, or Provincial, of either High Contracting Party, and maintain a central office within the territories there-
of including such as may be organized for the purposes of the U.S.S.R. in the United States of America shall
have

have juridical status recognized by the other High Contracting Party provided that they pursue no aims within its territories contrary to its laws. They shall enjoy free access to the courts of law and equity, on conforming to the laws regulating the matter, as well for the prosecution as for the defense of rights in all the degrees of jurisdiction established by law.

The right of such corporations and associations of either High Contracting Party so recognized by the other to establish themselves within its territories, establish branch offices and fulfill their functions therein shall depend upon, and be governed solely by, the consent of such Party as expressed in its National, State, or Provincial laws.

Article XIII

The nationals of either High Contracting Party shall enjoy within the territories of the other, reciprocally and upon compliance with the conditions there imposed, such rights and privileges as have been or may hereafter be accorded the nationals of any other State with respect to the organization of and participation in limited liability and other corporations and associations, for pecuniary profit or otherwise, including the rights of promotion, incorporation, purchase and ownership and sale of shares and the holding of executive or official positions therein. In the exercise of the foregoing

rights

rights and with respect to the regulation or procedure concerning the organization or conduct of such corporations or associations, such national shall be subjected to no conditions less favorable than those which have been or may hereafter be imposed upon the nationals of the most favored nation. The rights of any of such corporations or associations as may be organized or controlled or participated in by the nationals or the Government of either High Contracting Party within the territories of the other to exercise any of their functions therein, shall be governed by the laws and regulations, national, state or provincial, which are in force or may hereafter be established within the territories of the Party wherein they propose to engage in business. ~~The foregoing stipulations do not apply to the organization of and participation in political associations.~~

The nationals of either High Contracting Party shall, moreover, enjoy within the territories of the other, reciprocally and upon compliance with the conditions there imposed, such rights and privileges as have been or may hereafter be accorded the nationals of any other State with respect to the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain of the other.

Article XIV

(a) Manufacturers, merchants, and traders domiciled within the jurisdiction of one of the High Contracting Parties may operate as commercial travelers
either

either personally or by means of agents or employees within the jurisdiction of the other High Contracting Party on obtaining from the latter, upon payment of a single fee, a license which shall be valid throughout its entire territory and jurisdiction.

In case either of the High Contracting Parties shall be engaged in war, it reserves to itself the right to prevent from operating within its jurisdiction under the provisions of this article, or otherwise, enemy nationals or other aliens whose presence it may consider prejudicial to public order and national safety.

Each of the High Contracting Parties engages itself not to ask under the provisions of this article any facilities for its own commercial travelers which it is not prepared to grant on the same conditions to commercial travelers of the other High Contracting Party.

(b) In order to secure the license above mentioned, the applicant must obtain from the country of domicile of the manufacturers, merchants, and traders represented, a certificate attesting his character as a commercial traveler. This certificate, which shall be issued by the authority to be designated in each country for the purpose, shall be viséed by the consul of the country in which the applicant proposes to operate, and the authorities of the latter shall, upon presentation of such certificate, issued to the applicant the national license

as provided in section (a).

(c) A commercial traveler may sell his samples without obtaining a special license as an importer.

(d) Samples without commercial value shall be admitted to enter free of duty.

Samples marked, stamped or defaced in such manner that they cannot be put to other uses shall be considered as objects without commercial value.

(e) Samples having commercial value shall be provisionally admitted upon giving bond for the payment of lawful duties if they shall not have been withdrawn from the country within a period of six (6) months.

Duties shall be paid on such portion of the samples as shall not have been so withdrawn.

(f) All customs formalities shall be simplified as much as possible with a view to avoid delay in the despatch of samples.

(g) Peddlers and other salesmen who vend directly to the consumer, even though they have not an established place of business in the country in which they operate, shall not be considered as commercial travelers, but shall be subject to the license fees levied on business of the kind which they carry on.

(h) No license shall be required of:

(1) Persons traveling only to study trade and its needs, even though they initiate commercial relations,

relations, provided they do not make sales of merchandise.

(2) Persons operating through local agencies which pay the license fee or other imposts to which their business is subject.

(3) Travelers who are exclusively buyers.

(1) Any concessions affecting any of the provisions of the present Article that may hereafter be granted by either High Contracting Party, either by law or by treaty or convention, shall immediately be extended to the other Party.

Article XV

(a) Regulations governing the renewal and transfer of licenses issued under the provisions of Article XIV, and the imposition of fines and other penalties for any misuse of licenses may be made by either of the High Contracting Parties whenever advisable within the terms of Article XIV and without prejudice to the rights defined therein.

If such regulations permit the renewal of licenses, the fee for renewal will not be greater than that charged for the original license.

If such regulations permit the transfer of licenses, upon satisfactory proof that transferee or assignee is in every sense the true successor of the original licensee, and that he can furnish a certificate of identification similar to that furnished by the original licensee, he will be allowed to operate

as

as a commercial traveler pending the arrival of the new certificate of identification, but the cancellation of the bond for the samples shall not be effected before the arrival of the said certificate.

(b) It is the citizenship of the firm that the commercial traveler represents, and not his own, that governs the issuance to him of a certificate of identification.

The High Contracting Parties agree to empower the local customs officials or other competent authorities to issue the said licenses upon surrender of the certificate of identification and authenticated list of samples, acting as deputies of the central office constituted for the issuance and regulation of licenses. The said officials shall immediately transmit the appropriate documentation to the central office, to which the licensee shall thereafter give due notice of his intention to ask for the renewal or transfer of his license, if these acts be allowable, or cancellation of his bond, upon his departure from the country. Due notice in this connection will be regarded as the time required for the exchange of correspondence in the normal mail schedules, plus five business days for purposes of official verification and registration.

(c) It is understood that the traveler will not engage in the sale of other articles than those embraced by his lines of business; he may sell his samples, thus incurring an obligation to pay the customs duties thereupon, but he may not sell other
articles

articles brought with him or sent to him, which are not reasonably and clearly representative of the kind of business he purports to represent.

It is understood that the sale of samples will be limited to sales in the wholesale trade.

(d) Advertising matter brought by commercial travelers in appropriate quantities shall be treated as samples without commercial value. Objects having a depreciative commercial value because of adaptation for purposes of advertisement, and intended for gratuitous distribution, shall, when introduced in reasonable quantities, also be treated as samples without commercial value. It is understood, however, that this prescription shall be subject to the customs laws of the respective countries. Samples accompanying the commercial traveler will be despatched as a portion of his personal baggage; and those arriving after him will be given precedence over ordinary freight.

(e) If the original license was issued for a period longer than six months, or if the license be renewed, the bond for the samples will be correspondingly extended. It is understood, however, that this prescription shall be subject to the customs laws of the respective countries.

Article XVI

There shall be complete freedom of transit through the territories including territorial waters of each

High

High Contracting Party on the routes most convenient for international transit, by rail, navigable waterway, and canal, other than the Panama Canal and waterways and canals which constitute international boundaries of the United States, to persons and goods coming from or going through the territories of the other High Contracting Party, except such persons as may be forbidden admission into its territories or goods of which the importation may be prohibited by law. Persons and goods in transit shall not be subjected to any transit duty, or to any unnecessary delays or restrictions, and shall be given national treatment as regards charges, facilities, and all other matters.

Goods in transit must be entered at the proper customhouse, but they shall be exempt from all customs or other similar duties.

All charges imposed on transport in transit shall be reasonable, having regard to the conditions of the traffic.

Any fees or charges of whatsoever character imposed under this article may be payable in the lawful money of account of the country of the High Contracting Party through which such persons may be in transit.

Article XVII

Each of the High Contracting Parties agrees to receive from the other, Consular officers in those of its ports, places, and cities where it may be convenient and which are open to Consular representatives
of

of any foreign country.

Each of the High Contracting Parties agrees to receive from the other, Consular officers in at least as many ports, places and cities as may have been received in the ports, places and cities of the other.

Consular officers of each of the High Contracting Parties shall, after entering upon their duties, enjoy reciprocally in the territories of the other all the rights, privileges, exemptions and immunities which are enjoyed by officers of the same grade of the most favored nation. As official agents such officers shall be entitled to the high consideration of all officials, national or local, with whom they have official intercourse in the state which receives them.

The Government of each of the High Contracting Parties shall furnish free of charge the necessary exequatur of such Consular officers of the other as present a regular commission signed by the chief executive of the appointing State and under its great seal; and it shall issue to a subordinate or substitute Consular officer duly appointed by an accepted superior Consular officer with the approbation of his Government, or by any other competent officer of that Government, such documents as according to the laws of the respective countries shall be requisite for the exercise by the appointee of the Consular function. On the exhibition of an exequatur, or other document issued in lieu thereof to such subordinate, such Consular officer shall be permitted to enter upon his duties and to enjoy the rights, privileges and immunities

munities granted by this treaty.

Article XVIII

Consular officers, nationals of the State by which they are appointed, shall be exempt from arrest except when charged with the commission of offenses internationally recognized as crimes other than misdemeanors and subjecting the individual guilty thereof to punishment. Such officers shall be exempt from military billetings, and from service of any military or naval, administrative or police character whatsoever.

In criminal cases internationally recognized as such the attendance at the trial by a consular officer as a witness may be demanded by the prosecution or defense. The demand shall be made with all possible regard for the consular dignity and the duties of the office; and there shall be compliance on the part of the consular officer.

Consular officers shall be subject to the jurisdiction of the courts in the State which receives them in civil cases, subject to the proviso, however, that when the officer is a national of the State which appoints him and is engaged in no private occupation for gain, his testimony shall be taken orally or in writing at his residence or office and with due regard for his convenience. The officer should, however, voluntarily give his testimony at the trial whenever it is possible to do so without serious interference

terference with his official duties.

Article XIX

Consular officers, including employees in a consulate, nationals of the State by which they are appointed other than those engaged in private occupations for gain within the State where they exercise their functions shall be exempt from all taxes and charges, National, State, Provincial and Municipal, levied upon their persons or upon their property, except taxes levied on account of the possession or ownership of immovable property situated in, or income derived from property of any kind situated or belonging within the territories of the State within which they exercise their functions, said taxes, however, not to be in excess of similar taxes levied on property or income of nationals of the receiving country. All consular officers and employees, nationals of the State appointing them shall be exempt from the payment of taxes on the salary, fees or wages received by them in compensation for their consular services.

Lands and buildings situated in the territories of either High Contracting Party, of which the other High Contracting Party is the legal or equitable owner and which are used exclusively for governmental or residential purposes by that owner or by consular officers, nationals of the State by which they are appointed shall be exempt from taxation of every kind, National, State, Provincial and Municipal, other than assessments levied for services or local
public

public improvements by which the premises are benefited.

Article XX

Consular officers may place over the outer door of their respective offices the arms of their State with an appropriate inscription designating the official office. Such officers may also hoist the flag of their country on their offices including those situated in the capitals of the two countries. They may likewise hoist such flag over any boat or vessel employed in the exercise of the consular function.

The consular offices and archives shall at all times be inviolable. They shall under no circumstances be subjected to invasion by any authorities of any character within the country where such offices are located. Nor shall the authorities under any pretext make any examination or seizure of papers or other property deposited within a consular office. Consular offices shall not be used as places of asylum. No consular officer shall be required to produce official archives in court or testify as to their contents.

Upon the death, incapacity or absence of a consular officer having no subordinate consular officer at his

post

public post, secretaries or chancellors, whose official character may have previously been made known to the Government of the State where the consular function was exercised, may temporarily exercise the consular function of the deceased or incapacitated or absent consular officer; and while so acting shall enjoy all the rights, prerogatives and immunities granted to the incumbent.

Article XII

Consular officers, nationals of the State by which they are appointed, may, within their respective consular districts, address the authorities, National, State, Provincial or Municipal, for the purpose of protecting their countrymen in the enjoyment of their rights accruing by treaty or otherwise. Complaint may be made for the infraction of those rights. It shall be the duty of authorities so addressed, National, State, Provincial, or Municipal, to reply adequately and within a reasonable time to such communications. Failure upon the part of the proper authorities to grant redress or to accord protection may justify interposition through the diplomatic channel, and in the absence of a diplomatic representative, a consul general or the consular officer stationed at the capital may apply directly to the government of the country.

Article XIII

Consular officers may, in pursuance of the laws
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of their own country, take, at any appropriate place within their respective districts, the depositions of any occupants of vessels of their own country, or of any national of, or of any person having permanent residence within the territories of, their own country. Such officers may draw up, attest, certify and authenticate unilateral acts, deeds, and testamentary dispositions of their countrymen, and also contracts to which a countryman is a party. They may draw up, attest, certify and authenticate written instruments of any kind purporting to express or embody the conveyance of encumbrance of property of any kind within the territory of the State by which such officers are appointed, and unilateral acts, deeds, testamentary dispositions and contracts relating to property situated, or business to be transacted, within the territories of the State by which they are appointed, embracing unilateral acts, deeds, testamentary dispositions or agreements executed solely by nationals of the State within which such officers exercise their functions.

Instruments and documents thus executed and copies and translations thereof, when duly authenticated under his official seal by the consular officer shall be received as evidence in the territories of the contracting parties as original documents or authenticated copies, as the case may be, and shall have the same force and effect as if drawn by and executed before a notary or other public officer duly authorized in the country by which the consular officer

was

was appointed; provided, always that such documents shall have been drawn and executed in conformity to the laws and regulations of the country where they are designed to take effect.

Article XXIII

A consular officer shall have exclusive jurisdiction over controversies arising out of the internal order of private vessels of his country, and shall alone exercise jurisdiction in cases, wherever arising, between officers and crews, pertaining to the enforcement of discipline on board, provided the vessel and the persons charged with wrongdoing shall have entered a port within his consular district. Such an officer shall also have jurisdiction over issues concerning the adjustment of wages and the execution of contracts relating thereto provided the local laws so permit.

When an act committed on board of a private vessel under the flag of the State by which the consular officer has been appointed and within the territorial waters of the State to which he has been appointed constitutes a crime recognized internationally as such subjecting the person guilty thereof to punishment as a criminal, the consular officer shall not exercise jurisdiction except in so far as he is permitted to do so by the local law; but he shall have access at all times by himself and or with counsel to any person apprehended under this article, to give advice and assistance.

A consular officer may freely invoke the assistance

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ance of the local police authorities in any matter pertaining to the maintenance of internal order on board of a vessel under the flag of his country within the territorial waters of the State to which he is appointed, and upon such a request the requisite assistance shall be given. The local State or National authorities in the place where a private vessel under the flag of either of the High Contracting Parties calls may, in their discretion, refuse all landing privileges to the officers or crew of such vessel, except that the duly qualified officers of such vessel may at all times exercise landing privileges for the purpose of consulting their consular officers, the local authorities, or for purchasing equipment and supplies.

A consular officer may appear with the officers and crews of vessels under the flag of his country before the judicial authorities of the State to which he is appointed to render assistance as an interpreter or agent.

Article XXIV

In case of the death of a national of either High Contracting Party in the territory of the other without having in the territory of his decease any known heirs or testamentary executors by him appointed, the competent local authorities shall at once inform the nearest consular officer of the State of which the deceased was a national of the fact of his death, in
order

order that necessary information may be forwarded to the parties interested.

In case of the death of a national of either of the High Contracting Parties without will or testament, in the territory of the other High Contracting Party, the consular officer of the State of which the deceased was a national and within whose district the deceased made his home at the time of death, shall, so far as the laws of the country permit and pending the appointment of an administrator and until letters of administration have been granted, be deemed qualified for the preservation and protection of the same. Such consular officer shall have the right to be appointed as administrator within the discretion of a tribunal or other agency controlling the administration of estates provided the laws of the place where the estate is administered so permit.

Whenever a consular officer accepts the office of administrator of the estate of a deceased countryman, he subjects himself as such to the jurisdiction of the tribunal or other agency making the appointment for all necessary purposes to the same extent as a national of the country where he was appointed.

(This section requires further special investigation).

Article XXV

A consular officer of either High Contracting Party may in behalf of his non-resident countrymen
receipt

receipt for their distributive shares derived from estates in process of probate or accruing under the provisions of so-called Workmen's Compensation Laws or other like statutes provided he remit any funds so received through the appropriate agencies of his Government to the proper distributees, and provided further that he furnish to the authority or agency making distribution through him reasonable evidence of such remission.

Article XXVI

A consular officer of either High Contracting Party shall have the right to inspect within the ports of the other High Contracting Party within his consular district, the private vessels of any flag destined or about to clear for ports of the country appointing him in order to observe the sanitary conditions and measures taken on board such vessels, and to be enabled thereby to execute intelligently bills of health and other documents required by the laws of his country, and to inform his Government concerning the extent to which its sanitary regulations have been observed at ports of departure by vessels destined to its ports, with a view to facilitating entry of such vessels therein.

Article XXVII

Each of the High Contracting Parties agrees to permit the entry free of all duty and without examination of any kind, of all furniture, equipment and supplies intended

intended for official use in the consular offices of the other, and to extend to such consular officers of the other and their families and suites as are its nationals, the privilege of entry free of duty of their baggage and all other personal property and supplies, whether accompanying the officer to his post or imported at any time during his incumbency thereof; provided, nevertheless, that no article, the importation of which is prohibited by the law of either of the High Contracting Parties, may be brought into its territories.

It is understood, however, that this privilege shall not be extended to consular officers who are engaged in any private occupation for gain in the countries to which they are accredited, save with respect to governmental supplies.

Article XXVIII

All proceedings relative to the salvage of vessels of either High Contracting Party wrecked upon the coasts of the other shall be directed by the consular officer of the country to which the vessel belongs and within whose district the wreck may have occurred. Pending the arrival of such officer, who shall be immediately informed of the occurrence, the local authorities shall take all necessary measures for the protection of persons and the preservation of wrecked property. The local authorities shall not otherwise interfere than for the maintenance of order,

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the protection of the interests of the salvors, if these do not belong to the crews that have been wrecked, and to carry into effect the arrangements made for the entry and exportation of the merchandise saved. It is understood that such merchandise is not to be subjected to any customhouse charges, unless it be intended for consumption in the country where the wreck may have taken place.

The intervention of the local authorities in these different cases shall occasion no expense of any kind, except such as may be caused by the operations of salvage and the preservation of the goods saved, together with such as would be incurred under similar circumstances by vessels of the nation.

Article XXIX

Subject to any limitation or exception hereinabove set forth, or hereafter to be agreed upon, the territories of the High Contracting Parties to which the provisions of this Treaty extend shall be understood to comprise all areas of land, water, and air, over which the Parties respectively claim and exercise dominion as sovereign thereof, except the Panama Canal Zone. It is further understood that the U.S.S.R. is acting in respect of the present treaty on behalf of all constituent republics comprised within the Federal system, and undertakes to secure from such constituent republics any legislation or publication necessary

sary to make the present treaty effective, and assumes responsibility for the execution of the present treaty in all the territories embraced within the constituent republics from and after the exchange of ratifications.

Article XX

The present treaty shall remain in full force for the term of one year from the date of the exchange of ratifications, on which date it shall begin to take effect in all of its provisions.

If within six months before the expiration of the aforesaid period of one year neither High Contracting Party notifies to the other an intention of modifying, by change or omission, any of the provisions of any of the articles in this Treaty or of terminating it upon the expiration of the aforesaid period, the Treaty shall remain in full force and effect after the aforesaid period and until ten years from the date of the exchange of ratifications.

Article XXI

The High Contracting Parties solemnly affirm their desire and intention to live in peace and amity with each other, scrupulously to respect the undoubted right of the State to order its own life within its own jurisdiction in its own way, to refrain and to restrain all persons and organizations under their direct or indirect control, including organizations

in

in receipt of any financial assistance from them, from any act overt or covert liable in any way whatsoever to endanger the tranquillity or prosperity of any part of their respective territories or intended to embitter their relations with their neighbors or any other countries. (Up to this point this section repeats practically without change the language of the Anglo- Russian treaty of August 8, 1924, which was never ratified. R.P.S.). The High Contracting Parties have the right to call the attention of each other to acts, speeches, writings, or publications, the purpose of which is to destroy or overthrow by revolutionary means their respective governments, and it shall be the duty of each High Contracting Party in such circumstances to make diligent inquiry into all the circumstances and to take such remedial or punitive measures as may be proposed in the circumstances.

Article XXXII

All treaties, conventions, and understandings between the United States of America and the Imperial Russian Government and its successors are recognized by the High Contracting Parties as mutually binding unless inconsistent with or modified by the present treaty. Both High Contracting Parties furthermore undertake within six months from the exchange of ratification of the present treaty to begin negotiations for an agreement respecting terms of payment
of

of all sums owing to the Government of the United States by the Imperial Russian Government or any of its successors, and to bring such negotiations to a prompt conclusion. It is likewise agreed between the High Contracting Parties that should these negotiations fail to result in an acceptable agreement within a period of one year from their commencement, the present treaty shall be regarded as expired, and with its expiration de jure relations between the High Contracting Parties shall cease unless both parties consent to a further extension of time for the renewal of negotiations which, in any event, shall not exceed one additional year.

The High Contracting Parties likewise agree that private property belonging to the nationals of the United States of America which is, or was, in the territory of the former Imperial Russian Government or its successors, shall be restored to its owners with compensation for its use or deterioration, or shall be paid for with interest at the rate of five per cent from the date of its seizure. It is also agreed that the owners of such property shall first seek an adjustment of their claims by private negotiation, for which purpose a special protocol will be annexed to the present treaty and form a part thereof, and that failing to reach an agreement in each case, as provided in the protocol, it will be open to the claimants to lay their claims
before

before a special arbitration board to consist of one member appointed by each of the High Contracting Parties, and a third member to be appointed either by agreement by the High Contracting Parties, or in case of failure to agree, by the International Court sitting at the Hague, and that the decisions of the arbitration board thus constituted reached by a majority vote shall be binding upon the U.S.S.R.

Article XXXIII

Each of the Contracting Parties undertakes to adopt the necessary measures to inform the nearest consul of the other Party as soon as possible whenever a national of the country he represents is arrested in his district. The same procedure shall apply if a prisoner is transferred from one authority to another or from one place of detention to another. Nationals of either country arrested or detained in the other shall have the right to communicate without delay, both in writing and orally, with their respective consuls. Notifications of arrests shall be made to the appropriate consul by the authorities of the arresting country not later than three days after the arrest has taken place.

In cases of detention of all kinds, requests made by consular officers to visit nationals of their country under arrest, or to have them visited by their representatives, shall be granted without delay. The consular representative shall be entitled to require
officials

officials of the courts or prisons to withdraw during his interview with the person under arrest. When nationals of the one country are arrested or detained in the other they shall have the right to consult and to be represented by counsel of their own nationality.

Article XXXIV

The Government of the U.S.S.R. undertakes to make available at reasonable rates suitable quarters for the offices and residences of consular officers and to do everything within its competence to assure healthy and comfortable living conditions for these officers and their families and their American staffs.

Article XXIV

The present Treaty shall be ratified, and the ratifications thereof shall be exchanged at Washington as soon as possible.

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PSF
Russia

[July 27, 1933]

PROBLEMS PERTAINING TO RUSSIAN-AMERICAN RELATIONS WHICH, IN THE INTEREST OF FRIENDLY RELATIONS BETWEEN THE UNITED STATES AND RUSSIA, SHOULD BE SETTLED PRIOR TO THE RECOGNITION OF THE SOVIET GOVERNMENT

In order that the United States may derive from the recognition of the Soviet government the benefits which normally follow the recognition of a foreign Government, the recognition of the Soviet government should involve the establishment of relations with Russia on a basis which would render possible the maintenance of friendly cooperation between the Governments of the United States and Russia and the development of trade and intercourse between the two countries. The experience of countries which have extended recognition to the Soviet government has shown pretty conclusively, it is believed, that there are serious obstacles in the way of the establishment of relations with Russia on such a basis, and that so long as these obstacles remain, official relations, established as a result of recognition, tend to become, in view of the extraordinary nature of these obstacles, the source of friction and ill will rather than the mainspring of cooperation and good will. It would seem essential, therefore, that every endeavor should be made to remove these obstacles prior to the extension of recognition. Until a substantial basis of mutual understanding and common principles and purposes has been established, official intercourse, with its increased contacts, is bound to lead to friction and rancor. Formal diplomatic relations may be established, but the substance of a useful relationship will be lacking, as much for the Russians as for ourselves, unless and until we have cleared up the existing difficulties through mutual agreement and worked out a modus vivendi for the future.

Problem

Problem of Communist World Revolutionary Activities

The fundamental obstacle in the way of the establishment with Russia of the relations usual between nations in diplomatic intercourse is the world revolutionary aims and practices of the rulers of that country. It is obvious that, so long as the Communist regime continues to carry on in other countries activities designed to bring about ultimately the overthrow of the Government and institutions of these countries, the establishment of genuine friendly relations between Russia and those countries is out of the question. Even when these activities do not constitute a present menace to the established order, the systematic interference of a foreign power in the domestic affairs of a country constitutes ipso facto a source of deep resentment and unavoidable friction. The persistence of such interference after diplomatic relations have been established leads inevitably either to the rupture of relations - as has taken place in the case of England, China, and Mexico, - or to serious tension and the reduction of the existing diplomatic relations to a barren, meaningless relationship - as has taken place at times in the case of France, Germany, Poland, et cetera. It would seem, therefore, that an essential prerequisite to the establishment of harmonious and trustful relations with the Soviet government is the abandonment by the present rulers of Russia of their world revolutionary aims and the discontinuance of their activities designed to bring about the realization of such aims. More specifically and with particular regard to the United States, this prerequisite involves the abandonment by Moscow of direction, supervision, control, financing, et cetera, through every agency utilized for the purpose, of communist and other related activities in the United States.

Question

Question of Repudiated Debts and Confiscated Property

Another serious difficulty in the way of the establishment of mutually advantageous relations with the Soviet government is the unwillingness of that government to observe certain generally accepted principles governing the conduct of nations towards each other. Among these principles is the duty of a State to respect the rights of citizens of other States which have been acquired within its jurisdiction in accordance with its laws, and the duty of a Government to honor the financial obligations contracted by a State under preceding Governments. The Soviet government has confiscated the property of foreign nationals in Russia and has repudiated the contractual obligations of Russia to foreign Governments and foreign nationals. It is to be noted that through these acts not only has damage been done to the interests of foreign States, but what is more important, the Soviet government has rejected international obligations which the experience of mankind has demonstrated are vital to the satisfactory development and maintenance of commerce and friendly intercourse between nations. These acts have severely handicapped the development of commercial relations between Russia and foreign countries, since they have practically destroyed the basis of ordinary credit to the Soviet government or Soviet organizations. Any substantial improvement of Russian credit would appear to be unlikely until a settlement has been reached with respect to repudiated bonds and confiscated property, and until Russia has furnished adequate evidence of its purpose to maintain its international relations in accordance with recognized standards.

Losses

Losses Suffered by the United States

The United States has suffered the following losses as the result of the Soviet policies of repudiation and confiscation:

- (a) Repudiated Russian obligations held by the United States Government (principal only) \$192,000,000
- (b) Repudiated Russian obligations held by American citizens (principal only)
 - (1) Floated in the United States 86,000,000
 - (2) Floated elsewhere 20,000,000
- (c) Confiscated property rights and interests of American citizens in Russia 330,000,000

It is to the interest of the United States to obtain a settlement of the questions of repudiated bonds and confiscated property on the basis of accepted international practices, not only on account of the material losses involved, but especially in view of the fact, as indicated above, that the settlement of these matters is of great importance for the establishment of a sound basis for trade between the United States and Russia. Moreover, it is to be noted that the Government of the United States has a profound interest in the maintenance of the sanctity of international obligations, not only in view of the worldwide activities of its citizens, but even more in consequence of its earnest desire to see strengthened those forces making for the promotion of peace and international good will.

Settlement Desirable Prior to Recognition

It is to be especially emphasized that if the questions of repudiated debts and confiscated property are not settled prior to recognition, there is little likelihood that subsequent negotiations would result in a mutually satisfactory settlement. Evidence of this is to be found in the fruitlessness of the long-

drawn-out

drawn-out negotiations in regard to these questions conducted by France and Great Britain subsequent to their recognition of the Soviet government.

Related Questions Requiring Consideration

In connection with the settlement of these questions, it is important that an agreement be reached with regard to the disposition made of Russian Government property and property rights in the United States in the period from November, 1917, to the date of recognition. Unless a complete agreement is reached with regard to outstanding questions, it would be desirable to obtain from the Soviet government an undertaking analogous to that incorporated in the Trade Agreement between Great Britain and Russia of March 17, 1921, under which the Soviet authorities agreed to take no action with reference to funds or property of the Russian Government in Great Britain pending a settlement of the matter with the British Government.

Another question requiring careful consideration is that of the effect of recognition on property and property rights in the United States which have been determined by judicial decisions based on the circumstance of non-recognition. Appropriate action should be taken so that recognition would not have any retroactive effect which would be prejudicial to American interests.

Problem of Bridging the Differences between the Economic and Social Structure of the United States and Russia

A third major problem requiring solution in the interest of the establishment of harmonious and mutually beneficial relations between the United States and Russia is the difficulties arising out of the profound differences between the economic and social structure

structure of the two countries. Reference is made here specially to the State monopoly of foreign trade in Russia and to the class character of the Soviet State.

Commercial relations between a country with a State monopoly of foreign trade and a country with its foreign trade carried on by private individuals cannot be conducted on the same basis as trade between two countries of the latter category. None of the accepted principles governing international commercial relations, such as most-favored-nation treatment, national treatment, et cetera, is applicable to trade between Russia and other countries. Those countries which have concluded trade agreements with Russia on a most-favored-nation basis, such as Germany, Great Britain, et cetera, have learned to their cost that the application of the most-favored-nation principle in treaties with Russia is, as the British Minister for Foreign Affairs recently said, "distorted and ridiculous." Furthermore, a government monopoly of foreign trade, in carrying on commerce with foreign countries, has a natural advantage over individual business concerns in such countries. In practically every country trading with Russia endeavors have been made, usually with little success, to find ways and means of putting trade relations on an equal footing and removing the disadvantages under which the individual business man labors in dealing with the Soviet monopoly of foreign trade. Finally, it is to be noted that the existence of this monopoly has given rise to difficulties and misunderstandings in the case of several countries that have recognized the Soviet government in connection with the determination of the status of Soviet Trade Delegations, the extent of the responsibility of the Soviet government for acts of Soviet commercial organizations, the right of

Soviet

Soviet organizations to participate in retail trade, et cetera.

Another question which has led to serious friction between Russia and foreign countries, especially Germany and Great Britain, is the treatment to which foreigners in Russia are subject under Soviet laws and practices. While it is a principle of international law that aliens are amenable to the laws of the country in which they are residing, the system of justice existing in Russia is so far removed from that maintained in the countries of Western Europe, and the Communist conception of justice is so alien to that held in such countries, that foreign countries have been obliged at times to take vigorous measures of reprisal in connection with the application to their nationals of Soviet judicial procedure and certain Soviet criminal laws to which Soviet nationals are subjected. For example, the Soviet conception of espionage, especially economic espionage, is of such a broad nature that almost every foreigner in Russia commits acts which may readily be interpreted as violating the laws on this subject. Soviet practices with regard to arrest and incarceration of foreign nationals constantly lead to friction with foreign States. Matters such as these, involving the question of the protection of life and property of American citizens in Russia, should be settled by agreement in order to create a satisfactory basis for intercourse with Russia.

W. Phillips

Russian Government Obligations Held by Government of the United States

A. Obligations of Provisional Government

1. Obligations representing cash advanced under Liberty Loan Acts \$187,729,750.00

B. Other Obligations

1. Obligations received on account of sales of surplus war materiel 406,082.30

2. Obligations received on account of relief supplies furnished 4,465,465.07

TOTAL

\$192,601,297.37

II. Russian Government Obligations Held by American Nationals

A. Loans floated in the United States

1. Imperial Russian Government external loan (5 year) issued in the United States on November 18, 1916, by syndicate of New York banks \$ 25,000,000.00

2. Imperial Russian Government 3 year credit granted by syndicate of New York banks; participation in credit offered to public on June 18, 1916 50,000,000.00

3. Russian Treasury notes purchased by National City Bank in April, 1916 11,000,000.00

TOTAL

\$ 86,000,000.00

B. Loans floated elsewhere - chiefly domestic War Loans sold by Russian Government in the United States (estimate based on claims filed)

1. Bonds of 5 $\frac{1}{2}$ % War Loan of 1915-16 \$ 12,802,598.24

2. Bonds of Liberty Loan of 1917 5,138,016.31

3. Bonds of Loan of 1894 2,614,025.70

4. Miscellaneous issues of Russian bonds 329,517.50

TOTAL

\$ 20,884,157.75

III. Confiscated Property Rights and Interests of American Nationals (estimate based on claims filed)

A. Properties and assets of American concerns and real and personal property of individuals confiscated by Soviet authorities \$115,141,931.03

B. Bank deposits confiscated 209,825,348.82

C. Debts of Russian Government to private concerns 2,607,281.14

D. Miscellaneous claims 9,057,210.04

TOTAL

\$336,691,771.03

Moscow,

October 17th, 1933.

My dear Mr. President:

I have received your message of October tenth.

I have always considered most abnormal and regrettable a situation wherein, during the past sixteen years, two great republics--the United States of America and the Union of Soviet Socialist Republics--have lacked the usual methods of communication and have been deprived of the benefits which such communication could give. I am glad to note that you also reached the same conclusion.

There is no doubt that difficulties, present or arising, between two countries, can be solved only when direct relations exist between them; and that, on the other hand, they have no chance for solution in the absence of such relations. I shall take the liberty further to express the opinion that the abnormal situation, to which you correctly refer in your message, has an unfavorable effect not only on the interests of the two states concerned, but also on the general international situation, increasing the element of disquiet, complicating the process of consolidating world peace and encouraging forces tending to disturb that peace.

In accordance with the above, I gladly accept your proposal to send to the United States a representative of the Soviet Government to discuss with you the questions of interest to our countries. The Soviet Government will be represented by Mr. M. M. Litvinov, People's Commissar for Foreign Affairs, who will come to Washington at a time to be mutually agreed upon.

I am, my dear Mr. President,

Very sincerely yours,

(Signed) Mikhail Kalinin.

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

(END)

PS F Russia

This is the original draft
FDR

Russia

THE WHITE HOUSE

Washington, October 10, 1933

My dear Mr. President:

Since the beginning of my Administration, I have contemplated the desirability of an effort to end the present abnormal relations between the hundred and twenty-five million people of the United States and the hundred and sixty million people of Russia.

It is most regrettable that these great peoples, between whom a happy tradition of friendship existed for more than a century to their mutual advantage, should now be without a practical method of communicating directly with each other.

The difficulties that have created this anomalous situation are serious but not, in my opinion, insoluble; and difficulties between great nations can be removed only by frank, friendly conversations. If you are of similar mind, I should be glad to receive any representatives you may designate to explore with me personally all questions outstanding between our countries.

Participation in such a discussion would, of course, not commit either nation to any future course of action, but would indicate a sincere desire to reach a satisfactory solution of the problems involved. It is my hope that such conversations might result in good to the people of both our countries.

I am, my dear Mr. President,

Very sincerely yours,

(Signed) Franklin D. Roosevelt.

Mr. Mikhail Kalinin,
President of the All Union Central Executive Committee,
Moscow.

PSF Russia

FOR THE PRESS

October 20, 1933.

IMMEDIATE RELEASE

The President today made public the following correspondence:

THE WHITE HOUSE

Washington, October 10, 1933.

My dear Mr. President:

Since the beginning of my administration, I have contemplated the desirability of an effort to end the present abnormal relations between the hundred and twenty-five million people of the United States and the hundred and sixty million people of Russia.

It is most regrettable that these great peoples, between whom a happy tradition of friendship existed for more than a century to their mutual advantage, should now be without a practical method of communicating directly with each other.

The difficulties that have created this anomalous situation are serious but not, in my opinion, insoluble; and difficulties between great nations can be removed only by frank, friendly conversations. If you are of similar mind, I should be glad to receive any representatives you may designate to explore with me personally all questions outstanding between our countries.

Participation in such a discussion would, of course, not commit either nation to any future course of action, but would indicate a sincere desire to reach a satisfactory solution of the problems involved. It is my hope that such conversations might result in good to the people of both our countries.

I am, my dear Mr. President,

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

Mr. Mikhail Kalinin,
President of the All Union Central Executive Committee,
Moscow.

Moscow,

October 17th, 1933.

My dear Mr. President:

I have received your message of October tenth.

I have always considered most abnormal and regrettable a situation wherein, during the past sixteen years, two great republics -- The United States of America and the Union of Soviet Socialist Republics -- have lacked the usual methods of communication and have been deprived of the benefits which such communication could give. I am glad to note that you also reached the same conclusion.

There is no doubt that difficulties, present or arising, between two countries, can be solved only when direct relations exist between them; and that, on the other hand, they have no chance for solution in the absence

of such relations. I shall take the liberty further to express the opinion that the abnormal situation, to which you correctly refer in your message, has an unfavorable effect not only on the interests of the two states concerned, but also on the general international situation, increasing the element of disquiet, complicating the process of consolidating world peace and encouraging forces tending to disturb that peace.

In accordance with the above, I gladly accept your proposal to send to the United States a representative of the Soviet Government to discuss with you the questions of interest to our countries. The Soviet Government will be represented by Mr. M. M. Litvinov, People's Commissar for Foreign Affairs, who will come to Washington at a time to be mutually agreed upon.

I am, my dear Mr. President,

Very sincerely yours,

MICHAEL MALININ.

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

- - - -

DEPARTMENT OF STATE

THE SECRETARY

^{Green}
Memo by Mr. Hackworth
on the matter about
which Polk, Davis
and Wardwell have
been in correspondence
with the President.

135F
U.S. - Russia
November 11, 1933.

TO THE PRESIDENT:

Coincident with the establishment of relations between our two Governments, I have the honor to inform you that the fixed policy of our Government will be as follows:

1. To respect carefully and conscientiously the indisputable right of the United States to order its own life within its own jurisdiction in its own way and to refrain from any interference whatever in the internal affairs of the United States, its territories and possessions.
2. To itself refrain and restrain all its governmental organizations and all persons in the service of the Government or under its direct or indirect control and all organizations receiving any financial aid from it from any overt or covert act which might in any way endanger the institutions, well-being, or tranquillity of the United States and from any act tending towards incitement or encouragement or agitation of propaganda designed to bring about any change in the political or social structure or conditions in the United States, its territories or possessions.

3. To



DEPARTMENT OF STATE
WASHINGTON

3. To refrain from forming, permitting or supporting, and to prevent the activities of any organizations, groups or their officials, which may have as their aim the purpose to overthrow or in any manner whatever affect or interfere with such political or social structure or conditions.

4. That it will not permit, encourage or countenance the existence, residence, or activities within its territory of any organization or group, however composed or designated, or individuals, having any of the purposes or aims or engaged in any of the acts or doings above mentioned and will prevent any organization, group or individuals in its territory from in any manner aiding or participating in the work of any organization or group or individuals residing or functioning outside its territory having any such purposes or aims or engaged in any such acts or doings.

Nothing is said about the admission of ecclesiastics to Russia since we are informed that point is to be otherwise dealt with.

A-M RWM:AEM

PSF Russia



DEPARTMENT OF STATE
WASHINGTON

November 11, 1933.

TO THE PRESIDENT:

Herewith is a draft of a letter proposed to be written you by Mr. Litvinoff. The statement furnished you last night by Mr. Litvinoff on the religious question has been carefully read. He quotes certain laws which, however, are not understood to be in effect throughout the territory of the Soviet Government and it is not understood that in his letter to you it is intended that those laws shall be set forth. What is intended, as we understand, however, is that the language contained in those laws should be used as far as possible. This has been found extremely difficult for the reason that the laws do not touch several important points.

It can be said that the proposed letter does not depart substantially from the draft submitted to Mr. Litvinoff in his conference with Secretary Hull as amended by him.

Nothing is said about the admission of ecclesiastics to Russia since we are informed that that point is to be otherwise dealt with.

A-M RWM:AEM

PSF Russia



DEPARTMENT OF STATE
WASHINGTON

November 11, 1933.

TO THE PRESIDENT:

Following our conversations I have the honor to inform you that the Soviet Government accords the nationals of the United States as a fixed policy the following rights:

Freedom of conscience and the free performance of religious rites, without interference therewith, such rites to include marriage, baptism, and burial ceremonies to be conducted in any language.

For this purpose they may construct or rent and use suitable buildings and to such services nationals of other nations may be admitted. In such buildings they may impart religious instruction, and otherwise/^{than} in such buildings they may singly or in groups in a private manner impart like instruction to their children.

They may bury their dead according to their religious customs in places convenient for that purpose which they are entitled to lease and maintain subject to reasonable sanitary regulations.

They

They are entitled to have all and any of the services and ceremonies above specified conducted by priests, ministers and rabbis of their own selection, being nationals of the United States, who will not be liable to persecution or discrimination of any kind because of their ecclesiastical status.

They are entitled by using their own funds or funds received from abroad to support the religious work specifically above mentioned and to engage in educational work among themselves and also in philanthropic work subject to laws governing charity, and to establish, manage and control, for the use of themselves and other foreigners, institutions for education excepting religious education.

137-100
p-u-d.

2

Russia

11-16-33

EXCHANGE OF COMMUNICATIONS
 BETWEEN THE PRESIDENT OF THE UNITED STATES
 AND MAXIM M. LITVINOV
 PEOPLES COMMISSAR FOR FOREIGN AFFAIRS
 OF THE UNION OF SOVIET SOCIALIST REPUBLICS

My dear Mr. President:

I am very happy to inform you that the Government of the Union of Soviet Socialist Republics is glad to establish normal diplomatic relations with the Government of the United States and to exchange ambassadors.

I, too, share the hope that the relations we shall establish between our peoples may further peace, normal and friendly, and that our nations together may cooperate for their mutual benefit and for the prosperity of the world.

I am, Mr. President,

Very sincerely yours,

MAXIM LITVINOV

Peoples' Commissar for Foreign Affairs,
Union of Soviet Socialist Republics.

Mr. Franklin D. Roosevelt,
President of the United States of America,
The White House.

THE WHITE HOUSE

Washington, November 16, 1933.

My dear Mr. Litvinov:

I am very happy to inform you that as a result of our conversations the Government of the United States has decided to establish normal diplomatic relations with the Government of the Union of Soviet Socialist Republics and to exchange ambassadors.

I trust that the relations now established between our peoples may forever remain normal and friendly, and that our nations henceforth may cooperate for their mutual benefit and for the preservation of the peace of the world.

I am, my dear Mr. Litvinov,

Very sincerely yours,

FRANKLIN D. ROOSEVELT

Mr. Maxim M. Litvinov,
People's Commissar for Foreign Affairs,
Union of Soviet Socialist Republics.

Washington,
November 16, 1933.

My dear Mr. President:

I am very happy to inform you that the Government of the Union of Soviet Socialist Republics is glad to establish normal diplomatic relations with the Government of the United States and to exchange ambassadors.

I, too, share the hope that the relations now established between our peoples may forever remain normal and friendly, and that our nations henceforth may cooperate for their mutual benefit and for the preservation of the peace of the world.

I am, my dear Mr. President,

Very sincerely yours,

MAXIM LITVINOFF

People's Commissar for Foreign Affairs,
Union of Soviet Socialist Republics.

Mr. Franklin D. Roosevelt,
President of the United States of America,
The White House.

Washington,
November 16, 1933.

My dear Mr. President:

I have the honor to inform you that coincident with the establishment of diplomatic relations between our two Governments it will be the fixed policy of the Government of the Union of Soviet Socialist Republics:

1. To respect scrupulously the indisputable right of the United States to order its own life within its own jurisdiction in its own way and to refrain from interfering in any manner in the internal affairs of the United States, its territories or possessions.

2. To refrain, and to restrain all persons in government service and all organizations of the Government or under its direct or indirect control, including organizations in receipt of any financial assistance from it, from any act overt or covert liable in any way whatsoever to injure the tranquillity, prosperity, order, or security of the whole or any part of the United States, its territories or possessions, and, in particular, from any act tending to incite or encourage armed intervention, or any agitation or propaganda having as an aim, the violation of the territorial integrity of the United States, its territories or possessions, or the bringing about by force of a change in the political or social order of the whole or any part of the United States, its territories or possessions.

3. Not to permit the formation or residence on its territory of any organization or group - and to prevent the activity on its territory of any organization or group, or of representatives or officials of any organization or group - which makes claim to be the Government of, or makes attempt upon the territorial integrity of, the United States, its territories or possessions; not to form, subsidize, support or permit on its territory military organizations or groups having the aim of armed struggle against the United States, its territories or possessions, and to prevent any recruiting on behalf of such organizations and groups.

4. Not to permit the formation or residence on its territory of any organization or group - and to prevent the activity on its territory of any organization or group, or of representatives or officials of any organization or group - which has as an aim the overthrow or the preparation for the overthrow of, or the bringing about by force

of

Mr. Franklin D. Roosevelt,
President of the United States of America,
The White House.

of a change in, the political or social order of the whole or any part of the United States, its territories or possessions.

I am, my dear Mr. President,

Very sincerely yours,

MAXIM LITVINOFF
People's Commissar for Foreign Affairs,
Union of Soviet Socialist Republics.

THE WHITE HOUSE
Washington

November 16, 1933.

My dear Mr. Litvinov:

I am glad to have received the assurance expressed in your note to me of this date that it will be the fixed policy of the Government of the Union of Soviet Socialist Republics:

1. To respect scrupulously the indisputable right of the United States to order its own life within its own jurisdiction in its own way and to refrain from interfering in any manner in the internal affairs of the United States, its territories or possessions.
2. To refrain, and to restrain all persons in government service and all organizations of the Government or under its direct or indirect control, including organizations in receipt of any financial assistance from it, from any act overt or covert liable in any way whatsoever to injure the tranquillity, prosperity, order, or security of the whole or any part of the United States, its territories or possessions, and, in particular, from any act tending to incite or encourage armed intervention, or any agitation or propaganda having as an aim, the violation of the territorial integrity of the United States, its territories or possessions, or the bringing about by force of a change in the political or social order of the whole or any part of the United States, its territories or possessions.
3. Not to permit the formation or residence on its territory of any organization or group - and to prevent the activity on its territory of any organization or group, or of representatives or

officials

Mr. Maxim M. Litvinov,
People's Commissar for Foreign Affairs,
Union of Soviet Socialist Republics.

officials of any organization or group - which makes claim to be the Government of, or makes attempt upon the territorial integrity of, the United States, its territories or possessions; not to form, subsidize, support or permit on its territory military organizations or groups having the aim of armed struggle against the United States, its territories or possessions, and to prevent any recruiting on behalf of such organizations and groups.

4. Not to permit the formation or residence on its territory of any organization or group - and to prevent the activity on its territory of any organization or group, or of representatives or officials of any organization or group - which has as an aim the overthrow or the preparation for the overthrow of, or the bringing about by force of a change in, the political or social order of the whole or any part of the United States, its territories or possessions.

It will be the fixed policy of the Executive of the United States within the limits of the powers conferred by the Constitution and the laws of the United States to adhere reciprocally to the engagements above expressed.

I am, my dear Mr. Litvinov,

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE
Washington

November 16, 1933.

My dear Mr. Litvinov:

As I have told you in our recent conversations, it is my expectation that after the establishment of normal relations between our two countries many Americans will wish to reside temporarily or permanently within the territory of the Union of Soviet Socialist Republics, and I am deeply concerned that they should enjoy in all respects the same freedom of conscience and religious liberty which they enjoy at home.

As you well know, the Government of the United States, since the foundation of the Republic, has always striven to protect its nationals, at home and abroad, in the free exercise of liberty of conscience and religious worship, and from all disability or persecution on account of their religious faith or worship. And I need scarcely point out that the rights enumerated below are those enjoyed in the United States by all citizens and foreign nationals and by American nationals in all the major countries of the world.

The Government of the United States, therefore, will expect that nationals of the United States of America within the territory of the Union of Soviet Socialist Republics will be allowed to conduct without annoyance or molestation of any kind religious services and rites of a ceremonial nature, including baptismal, confirmation, communion, marriage and burial rites, in the English language, or in any other language which is customarily used in the practice of the religious faith to which they belong, in churches, houses, or other buildings appropriate for such service, which they will be given the right and opportunity to lease, erect or maintain in convenient situations.

We will expect that nationals of the United States will have the right to collect from their co-religionists and to receive from abroad voluntary offerings for religious purposes; that they will be entitled without restriction to impart religious instruction to their children, either singly or in groups, or to have such instruction imparted by persons whom they may employ for such purpose; that they will be given and protected in the right to bury their dead according to their religious customs in suitable and convenient places established

for

Mr. Maxim M. Litvinov,
People's Commissar for Foreign Affairs,
Union of Soviet Socialist Republics.

for that purpose, and given the right and opportunity to lease, lay out, occupy and maintain such burial grounds subject to reasonable sanitary laws and regulations.

We will expect that religious groups or congregations composed of nationals of the United States of America in the territory of the Union of Soviet Socialist Republics will be given the right to have their spiritual needs ministered to by clergymen, priests, rabbis or other ecclesiastical functionaries who are nationals of the United States of America, and that such clergymen, priests, rabbis or other ecclesiastical functionaries will be protected from all disability or persecution and will not be denied entry into the territory of the Soviet Union because of their ecclesiastical status.

I am, my dear Mr. Litvinov,

Very sincerely yours,

FRANKLIN D. ROOSEVELT

Washington,
November 16, 1933

My dear Mr. President:

In reply to your letter of November 16, 1933, I have the honor to inform you that the Government of the Union of Soviet Socialist Republics as a fixed policy accords the nationals of the United States within the territory of the Union of Soviet Socialist Republics the following rights referred to by you:

1. The right to "free exercise of liberty of conscience and religious worship" and protection "from all disability or persecution on account of their religious faith or worship".

This right is supported by the following laws and regulations existing in the various republics of the Union:

Every person may profess any religion or none. All restrictions of rights connected with the profession of any belief whatsoever, or with the non-profession of any belief, are annulled. (Decree of Jan. 23, 1918, art. 3.)

Within

Mr. Franklin D. Roosevelt,
President of the United States of America,
The White House.

Within the confines of the Soviet Union it is prohibited to issue any local laws or regulations restricting or limiting freedom of conscience, or establishing privileges or preferential rights of any kind based upon the religious profession of any person. (Decree of Jan. 23, 1918, art. 2.)

2. The right to "conduct without annoyance or molestation of any kind religious services and rites of a ceremonial nature".

This right is supported by the following laws:

A free performance of religious rites is guaranteed as long as it does not interfere with public order and is not accompanied by interference with the rights of citizens of the Soviet Union. Local authorities possess the right in such cases to adopt all necessary measures to preserve public order and safety. (Decree of Jan. 23, 1918, art. 5.)

Interference with the performance of religious rites, in so far as they do not endanger public order and are not accompanied by infringements on the rights of others is punishable by compulsory labour for a period up to six months. (Criminal Code, art. 127.)

3. "The right and opportunity to lease, erect or maintain in convenient situations" churches, houses or other buildings appropriate for religious purposes.

This right is supported by the following laws and regulations:

Believers belonging to a religious society with the object of making provision for their requirements in the matter of religion: may lease under contract, free of charge, from the Sub-District or District Executive Committee or from the Town Soviet, special buildings for the purpose of worship and objects intended exclusively for the purposes of their cult. (Decree of April 8, 1929, art. 10.)

Furthermore, believers who have formed a religious society or a group of believers may use for religious meetings other buildings which have been placed at their disposal on lease by private persons or by local Soviets and Executive Committees. All rules established for houses of worship are applicable to these buildings. Contracts for the use of such buildings shall be concluded by individual believers who will be held responsible for their execution. In addition, these buildings must

comply

comply with the sanitary and technical building regulations. (Decree of April 8, 1929, art. 10.)

The place of worship and religious property shall be handed over for the use of believers forming a religious society under a contract concluded in the name of the competent District Executive Committee or Town Soviet by the competent administrative department or branch, or directly by the Sub-District Executive Committee. (Decree of April 8, 1929, art. 15.)

The construction of new places of worship may take place at the desire of religious societies provided that the usual technical building regulations and the special regulations laid down by the People's Commissariat for Internal Affairs are observed. (Decree of April 8, 1929, art. 45.)

4. "The right to collect from their co-religionists ... voluntary offerings for religious purposes."

This right is supported by the following law:

Members of groups of believers and religious societies may raise subscriptions among themselves and collect voluntary offerings, both in the place of worship itself and outside it, but only amongst the members of the religious association concerned and only for purposes connected with the upkeep of the place of worship and the religious property, for the engagement of ministers of religion and for the expenses of their executive body. Any form of forced contribution in aid of religious associations is punishable under the Criminal Code. (Decree of April 8, 1929, art. 54.)

5. Right to "impart religious instruction to their children either singly or in groups or to have such instruction imparted by persons whom they may employ for such purpose."

This right is supported by the following law:

The school is separated from the Church. Instruction in religious doctrines is not permitted in any governmental and common schools, nor in private teaching institutions where general subjects are taught. Persons may give or receive religious instruction in a private manner. (Decree of Jan. 23, 1918, art. 9.)

Furthermore, the Soviet Government is prepared to include in a consular convention to be negotiated immediately following the establishment of relations between

our

our two countries provisions in which nationals of the United States shall be granted rights with reference to freedom of conscience and the free exercise of religion, which shall not be less favorable than those enjoyed in the Union of Soviet Socialist Republics by nationals of the nation most favored in this respect. In this connection, I have the honor to call to your attention Article 9 of the Treaty between Germany and the Union of Soviet Socialist Republics, signed at Moscow October 12, 1925, which reads as follows:

Nationals of each of the Contracting Parties... shall be entitled to hold religious services in churches, houses or other buildings, rented, according to the laws of the country, in their national language or in any other language which is customary in their religion. They shall be entitled to bury their dead in accordance with their religious practice in burial-grounds established and maintained by them with the approval of the competent authorities, so long as they comply with the police regulations of the other Party in respect of buildings and public health.

Furthermore, I desire to state that the rights specified in the above paragraphs will be granted to American nationals immediately upon the establishment of relations between our two countries.

Finally, I have the honor to inform you that the Government of the Union of Soviet Socialist Republics, while reserving to itself the right of refusing visas to Americans desiring to enter the Union of Soviet Socialist Republics on personal grounds, does not intend to base such refusals on the fact of such persons having an ecclesiastical status.

I am, my dear Mr. President,

Very sincerely yours,

MAXIM LITVINOFF

People's Commissar for Foreign Affairs,
Union of Soviet Socialist Republics.

Mr. Franklin D. Roosevelt,
President of the United States of America,
The White House.

Washington,
November 16, 1933.

My dear Mr. President:

Following our conversations I have the honor to inform you that the Soviet Government is prepared to include in a consular convention to be negotiated immediately following the establishment of relations between our two countries provisions in which nationals of the United States shall be granted rights with reference to legal protection which shall not be less favorable than those enjoyed in the Union of Soviet Socialist Republics by nationals of the nation most favored in this respect. Furthermore, I desire to state that such rights will be granted to American nationals immediately upon the establishment of relations between our two countries.

In this connection I have the honor to call to your attention Article 11 and the Protocol to Article 11, of the Agreement Concerning Conditions of Residence and Business and Legal Protection in General concluded between Germany and the Union of Soviet Socialist Republics on October 12, 1925.

Article 11.

Each of the Contracting Parties undertakes to adopt the necessary measures to inform the consul of the other Party as soon as possible whenever a national of the country which he represents is arrested in his district.

The same procedure shall apply if a prisoner is transferred from one place of detention to another.

FINAL PROTOCOL

Ad Article 11.

1. The Consul shall be notified either by a communication from the person arrested or by the authorities themselves direct. Such communications shall be made within a period not exceeding seven times twenty-four hours, and in large towns, including capitals of districts, within a period not exceeding three times twenty-four hours.

2. In places of detention of all kinds, requests made by consular representatives to visit nationals of their country under arrest, or to

have

Mr. Franklin D. Roosevelt,
President of the United States of America,
The White House.

have them visited by their representatives, shall be granted without delay. The consular representative shall not be entitled to require officials of the courts or prisons to withdraw during his interview with the person under arrest.

I am, my dear Mr. President,

Very sincerely yours,

MAXIM LITVINOFF

People's Commissar for Foreign Affairs,
Union of Soviet Socialist Republics.

THE WHITE HOUSE
WASHINGTON

November 16, 1933

My dear Mr. Litvinov:

I thank you for your letter of November 16, 1933, informing me that the Soviet Government is prepared to grant to nationals of the United States rights with reference to legal protection not less favorable than those enjoyed in the Union of Soviet Socialist Republics by nationals of the nation most favored in this respect. I have noted the provisions of the treaty and protocol concluded between Germany and the Union of Soviet Socialist Republics on October 12, 1925.

I am glad that nationals of the United States will enjoy the protection afforded by these instruments immediately upon the establishment of relations between our countries and I am fully prepared to negotiate a consular convention covering these subjects as soon as practicable. Let me add that American diplomatic and consular officers in the Soviet Union will be zealous in guarding the rights of American nationals, particularly the right to a fair, public and speedy trial and the right to be represented by counsel of their choice. We shall expect that the nearest American diplomatic or consular officer shall be notified immediately of any arrest or detention of an American national, and that he shall promptly be afforded the opportunity to communicate and converse with such national.

I am, my dear Mr. Litvinov,

Very sincerely yours,

FRANKLIN D. ROOSEVELT

Mr. Maxim M. Litvinov,
People's Commissar for Foreign Affairs,
Union of Soviet Socialist Republics.

information which will be in the Union, in so far as the information for which he has asked is which has been reported to him is not just as may

In reply to a question of the President in regard to prosecutions for economic espionage, Mr. Litvinov gave the following explanation:

"The widespread opinion that the dissemination of economic information from the Union of Soviet Socialist Republics is allowed only in so far as this information has been published in newspapers or magazines, is erroneous. The right to obtain economic information is limited in the Union of Soviet Socialist Republics, as in other countries, only in the case of business and production secrets and in the case of the employment of forbidden methods (bribery, theft, fraud, etc.) to obtain such information. The category of business and production secrets naturally includes the official economic plans, in so far as they have not been made public, but not individual reports concerning the production conditions and the general conditions of individual enterprises.

"The Union of Soviet Socialist Republics has also no reason to complicate or hinder the critical examination of its economic organization. It naturally follows from this that every one has the right to talk about economic matters or to receive

Washington,
November 16, 1933.

My dear Mr. President:

Following our conversations I have the honor to inform you that the Government of the Union of Soviet Socialist Republics agrees that, preparatory to a final settlement of the claims and counter claims between the Governments of the Union of Soviet Socialist Republics and the United States of America and the claims of their nationals, the Government of the Union of Soviet Socialist Republics will not take any steps to enforce any decisions of courts or initiate any new litigations for the amounts admitted to be due or that may be found to be due it, as the successor of prior Governments of Russia, or otherwise, from American nationals, including corporations, companies, partnerships, or associations, and also the claim against the United States of the Russian Volunteer Fleet, now in litigation in the United States Court of Claims, and will not object to such amounts being assigned and does hereby release and assign all such amounts to the Government of the United States, the Government of the Union of Soviet Socialist Republics to be duly notified in each case of any amount realized by the Government of the United States from such release and assignment.

The Government of the Union of Soviet Socialist Republics further agrees, preparatory to the settlement referred to above not to make any claim with respect to:

- (a) judgments rendered or that may be rendered by American courts in so far as they relate to property, or rights, or interests therein, in which the Union of Soviet Socialist Republics or its nationals may have had or may claim to have an interest; or,
- (b) acts done or settlements made by or with the Government of the United States, or public officials in the United States, or its nationals, relating to property, credits, or obligations of any Government of Russia or nationals thereof.

I am, my dear Mr. President,

Very sincerely yours,

MAXIM LITVINOFF

People's Commissar for Foreign Affairs,
Union of Soviet Socialist Republics.

Mr. Franklin D. Roosevelt,
President of the United States of America,
The White House.

THE WHITE HOUSE

Washington, November 16, 1933.

My dear Mr. Litvinov:

I am happy to acknowledge the receipt of your letter of November 16, 1933, in which you state that:

"The Government of the Union of Soviet Socialist Republics agrees that, preparatory to a final settlement of the claims and counter claims between the Governments of the Union of Soviet Socialist Republics and the United States of America and the claims of their nationals, the Government of the Union of Soviet Socialist Republics will not take any steps to enforce any decisions of courts or initiate any new litigations for the amounts admitted to be due or that may be found to be due it, as the successor of prior Governments of Russia, or otherwise, from American nationals, including corporations, companies, partnerships, or associations, and also the claim against the United States of the Russian Volunteer Fleet, now in litigation in the United States Court of Claims, and will not object to such amounts being assigned and does hereby release and assign all such amounts to the Government of the United States, the Government of the Union of Soviet Socialist Republics to be duly notified in each case of any amount realized by the Government of the United States from such release and assignment.

"The Government of the Union of Soviet Socialist Republics further agrees, preparatory to the settlement referred to above, not to make any claim with respect to:

- (a) judgments rendered or that may be rendered by American courts in so far as they relate to property, or rights, or interests therein, in which the Union of Soviet Socialist Republics or its nationals may have had or may claim to have an interest; or,
- (b) acts done or settlements made by or with the Government of the United States, or public officials in the United States, or its nationals, relating to property, credits or obligations of any Government of Russia or nationals thereof."

I am glad to have these undertakings by your Government and I shall be pleased to notify your Government in each case of any amount realized by the Government of the United States from the release and assignment to it of the amounts admitted to be due, or that may be found to be

due,

due, the Government of the Union of Soviet Socialist Republics, and of the amount that may be found to be due on the claim of the Russian Volunteer Fleet.

I am, my dear Mr. Litvinov,

Very sincerely yours,

FRANKLIN D. ROOSEVELT

Mr. Maxim K. Litvinov,
People's Commissar for Foreign Affairs,
Union of Soviet Socialist Republics.

Washington,

November 16, 1933.

My dear Mr. President:

I have the honor to inform you that, following our conversations and following my examination of certain documents of the years 1918 to 1921 relating to the attitude of the American Government toward the expedition into Siberia, the operations there of foreign military forces and the inviolability of the territory of the Union of Soviet Socialist Republics, the Government of the Union of Soviet Socialist Republics agrees that it will waive any and all claims of whatsoever character arising out of activities of military forces of the United States in Siberia, or assistance to military forces in Siberia subsequent to January 1, 1918, and that such claims shall be regarded as finally settled and disposed of by this agreement.

I am, my dear Mr. President,

Very sincerely yours,

MAXIM LITVINOFF

People's Commissar for Foreign Affairs,
Union of Soviet Socialist Republics.

Mr. Franklin D. Roosevelt,
President of the United States of America,
The White House.

THE WHITE HOUSE

Washington

November 16, 1933

JOINT STATEMENT BY THE PRESIDENT
AND MR. LITVINOV

In addition to the agreements which we have signed today, there has taken place an exchange of views with regard to methods of settling all outstanding questions of indebtedness and claims that permits us to hope for a speedy and satisfactory solution of these questions which both our Governments desire to have out of the way as soon as possible.

Mr. Litvinov will remain in Washington for several days for further discussions.

PSF: Lucia

P. J. D. T. F.

~~Confidential~~

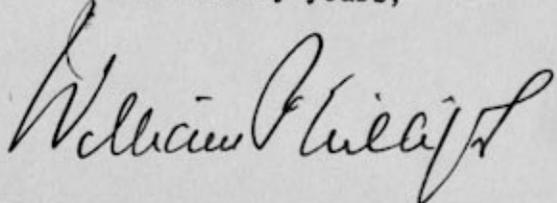
THE UNDERSECRETARY OF STATE
WASHINGTON

December 26, 1933.

Dear Mr. President:

In case this confidential telegram from Bullitt has not come to your personal attention, I venture to send you an additional copy. May I point out the marked passage on page two in which he refers to a joint attack by Poland and Germany acting in concert with Japan, which is something so new and unexpected that I thought it worth while to make sure that you had noted it. The last part of the telegram dealing with personnel matters is being taken care of in accordance with Bullitt's request.

Faithfully yours,



Enclosure:
Telegram No. 576
from Paris.

The President,
The White House.

PS F Russia

EJ
This message must be
closely paraphrased be-
fore being communicated
to anyone. (C)

PARIS

Dated December 24, 1937

Recd. 12.35 p.m. 25th

Secretary of State

Washington

TRIPLE PRIORITY.

576. December 24, 7 p.m.

~~STRICTLY CONFIDENTIAL~~ FOR THE PRESIDENT, THE
ACTING SECRETARY AND ASSISTANT SECRETARY MOORE FROM
BULLITT.

Owing to lack of codes in Moscow and the un-
desirability of sending this message from Berlin I
have felt obliged to delay transmission until today.

Litvinov on Thursday December 21 asked me to
convey to you in strictest confidence the following
information.

He said that his Government was "under great
pressure" from France to join the League of Nations
and asked me if the Government of the United States
would have any objection. I replied that as I had no
codes I could not consult my Government in regard to
this matter but that I had no hesitation in saying on
my own behalf that I believed the Government of the
United States would have no objection.

I then asked Litvinov to tell me the reason for
this possible reversal of Soviet policy. He replied
that the French had asked the Soviet Government to
make

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make a "regional agreement" for defense against attack by Germany each party to declare war on Germany if Germany should declare war upon the other. He said that the Soviet Union considered an attack by Japan this Spring so probable that it felt it must secure its western frontier in every way; that he did not fear an immediate attack by either Poland or Germany but that if the probable war with Japan should drag on for two years he anticipated a joint attack by Poland and Germany, acting in concert with Japan. He added that he knew preliminary conversations looking forward (*) this eventuality had already taken place between Japan, Germany and Poland. Therefore the Soviet Government although still wishing to keep its hands free and not to join the League of Nations felt that it must pay this price if necessary to obtain the agreement from France.

I asked Litvinov why the French insisted on the Soviet Government's joining the League of Nations as a part of this particular agreement. He replied that the French insisted in order to evade the difficulty created by the Locarno agreements. He said that the agreement between France and the Russian Soviet Government would be introduced to the League as a "regional understanding"

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understanding." I told him that there seemed to me to be a considerable region between France and the Soviet Union. He replied that the proximity of both to Germany was sufficient excuse. Litvinov insisted that this agreement with France had not yet been signed and that the conversations thus far were merely preliminary but he left me under the impression that a definite binding contract might be expected shortly. Litvinov added that the entire agreement might fall through as Daladier was opposed to it and the British were opposed but that Herriot and the majority of the French Government were in favor of it.

Attack by Japan upon the Soviet Union is regarded as certain by all members of the government and communist party with whom I talked with in Moscow. Stalin introduced the chief of staff Egorov to me as "the man who will lead our army victoriously against the Japanese when they attack us" and asked me to try to see to it that the Soviet Union should obtain in the immediate future 250,000 tons of old rectified rails from the American railroads which are engaged in carrying out re-equipment programs the rails to be delivered at Vladivostok to complete the double tracking of the Trans-Siberian Railway. He added:

"Without

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"Without the rails we shall win that war but it will be easier with them."

I repeatedly emphasized to all with whom I talked that the United States had no intention whatsoever of getting into war with Japan but that our participation in any Far Eastern difficulties would be confined to the use of our moral influence to maintain peace. Nevertheless the Soviet Union is so anxious to have peace that it is obvious that even our moral influence is valued very highly by the Soviet Government. It is difficult to exaggerate the cordiality with which I was received by all members of the Government including Kalinin, Molotov, Voroshilov and Stalin. Especially noteworthy is the fact that Stalin who until my arrival had never received any ambassador said to me "at any moment, day or night, if you wish to see me you have only to ask and I will see you at once."

I received your telegram of December 20 refusing my request that Kennan should be ordered to Moscow before the departure of Merrill. I should have replied at once but it seemed to me indiscreet to do so except in code. I trust the matter has been clarified by Merrill's cable to Carr (?) Riga. I should of course be (?) if Merrill

could

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could remain in Moscow until my return with the staff early in February. He can handle the actual difficulties better than anyone else but I understand that he will be needed in Washington late in January and that he will have to leave Moscow about January 1 in order to make the trip to Berlin, Paris and Rome before February 1. The nub of the matter is this: action in Moscow can be obtained only by direct contact with the men at the top of the government. I have introduced Merrill and Kennan with such recommendations that they can see anyone at the top at any time. A building supervisor will be (?) from one subordinate office to another and will be unable to push through the many alterations which must be made to the only possible combined residences and offices before we can occupy them. Either Merrill or Kennan can get the work done and the supervisor could oversee details. In the absence of both of them I feel certain that I should arrive with my staff and find the work on the buildings reserved for us half finished. To take a staff to Moscow in ^{the} February cold under such conditions is to make certain extreme inefficiency and possibly to endanger life. In view of the peculiar conditions of the government it has ^{existing} existing

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existing in Moscow I trust that Department will
reconsider its decision.

MARRINER

(*) Apparent omission.

HPD

TWC

RST Russia



DEPARTMENT OF STATE
WASHINGTON

[1933?]

MEMORANDUM

FOR THE PRESIDENT:

The Imperial Russian Government and the Provisional Government had, at the time of the advent of the Soviet Régime, credits deposited with American banks amounting to several millions of dollars. These banks also had on deposit considerable dollar amounts in the names of various Russian banks. In many cases these American banks had on deposit in various Russian banks at the time of the Soviet nationalization of the banks in December, 1917, large amounts in rubles. For example, the Guaranty Trust Company of New York had on deposit in Russian banks some forty-six million rubles, worth, at the time the banks were nationalized by the Soviet Régime,

about

The President,

The White House.

about six million dollars. At that same time the Provisional Government of Russia had on deposit with the Guaranty Trust Company five million dollars, which it appears still stands to the credit of that Government.

If the Soviet Government is recognized by the United States its decrees nationalizing banks and taking over American property will be validated and will be given effect in any litigation in our courts. It is anticipated that immediately upon recognition the Soviet Government will bring actions to recover the amounts on deposit in American banks in the names of predecessor Governments or Russian banks that have been nationalized. These American banks might not be able to have their credits in Russian banks set off against demands of the Soviet Government, the rule of law being that set offs or counter claims against a foreign government cannot

be

be made unless they grow out of the same transaction on which the foreign government's claim is based. These banks, therefore, desire that in connection with the recognition of the Soviet Government we should require it to stipulate that in suits brought by it against American nationals it will concede the right of such nationals to advance counter claims or set offs whether arising out of the same or different transactions, and that it will not plead sovereign immunity therefrom. The result of such a stipulation would be that the amounts of recoveries of the Soviet Government against these banks would be reduced and hence the amount of the Soviet assets in the United States to be turned over to this Government under the present plan would be correspondingly reduced.

An alternative method would be to leave the American nationals to their remedies under existing law unaffected by any stipulation between this Government and the Soviet Government.

A third method would be for the Soviet Government to assign to this Government all of its assets in the United States and allow the American nationals to present to the Mixed Claims Commission that is in contemplation their claims against Soviet Russia. This would mean that while they might receive awards, there can be no assurance that the awards would be paid in the very near future, if at all. This alternative would also have its complications as regards assets in the United States of Russian banks that have been nationalized by the Soviet Régime. If this Government undertook to recover those assets it would be under the necessity of maintaining the validity of the Soviet decrees of nationalization of private property, which might be an undesirable thing to do, or leave the way open to the Russian banks to claim the assets. In this latter event American nationals in some cases would not be able to establish their counter claims, because such counter claims would not be against the same institution as that bringing the suit.

It

It is the view of the Department of State that of these three suggestions that of the bankers, namely, that the Soviet Government be required to waive its sovereign immunity as regards set offs and counter claims would be the more reasonable and be fraught with less difficulty and embarrassment to this Government.