

● PSF State Dept.; Edward R. Stettinius, Jr. Jan. - Nov. 1944

January 17, 1944.

PRIVATE AND CONFIDENTIAL

MEMORANDUM FOR HON. E. R. STETTINIUS, Jr.

Dear Ed:

I enclose a long list of promotions in the Foreign Service. I wish you would go over these with the idea of seeing whether any of these officers should be shelved instead of being promoted. I have not got the list of the Foreign Service, but I do know that in the past it has been too much the custom to promote according to seniority and to do no weeding out. Obviously, this is not a good method.

In the Navy, for example, certain officers in each grade fail each year in promotion on a seniority basis; and if they fail the second time, they have to go on the retired list. It was based on a change that I made in 1914 or 1915 when we changed the method of "selection out" to the method of "selection up". If an officer was not "selected up" after two or three tries, he automatically went on the retired list and this method did not hurt the personal feelings in the way that "selection out" caused so many headaches.

I wish you would handle this yourself and not let everybody in the Department know that I have asked you to check.

F.D.R.

January 15, 1944

My dear Mr. President:

I am sending you herewith a list of nominations of Foreign Service officers selected for promotion as indicated therein.

These promotions are in accordance with the basic Foreign Service law and do not conflict with the regulations issued by the Economic Stabilization Director under date of October 27, 1942. The promotions will be made possible through savings in the appropriation for salaries of Foreign Service Officers for 1943-1944, and constitute in most cases a deserved recognition of services rendered under war-time conditions.

Letters to the Chairman of the Foreign Relations Committee of the Senate and to the appropriate Senators, notifying them of these nominations, have been prepared and will be forwarded upon submission of the nominations to the Senate. For your convenience in considering the nominations, I am enclosing biographical sketches of the officers concerned.

Faithfully yours,

Enclosures:
Nominations,
List,
Biographical Sketches.

CORDELL HULL

The President,
The White House.

FOREIGN SERVICE OFFICERS RECOMMENDED FOR PROMOTION

EFFECTIVE NOVEMBER 16, 1943.

From Class III to Class II

Don C. Bliss, Jr., of Mississippi
Walter J. Donnelly of District of Columbia
William R. Langdon of Massachusetts
Alfred T. Nester of New York
Albert F. Nufer of New York

From Class IV to Class III

Donald F. Bigelow of Minnesota
David McK. Emy of Tennessee
Marcel E. Malige of Idaho
Renwick S. McNiece of Utah
Warwick Perkins of Maryland
J. Bartlett Richards of Maryland

From Class V to Class IV

H. Merrell Benninghoff of New York
Gilson G. Blake of Maryland
Joseph F. Burt of Illinois
Reginald S. Castleman of California
Vinton Chapin of Massachusetts
Prescott Childs of Massachusetts
Charles H. Derry of Georgia
G. Paul Fletcher of Tennessee
Winthrop S. Greene of Massachusetts
William M. Gwynn of California
Eugene M. Hinkle of New York
Clarence E. Macy of Colorado
E. Talbot Smith of Connecticut
Francis H. Styles of Virginia

From Class VI to Class V

Sidney A. Belovsky of New York
Cavendish W. Cannon of Utah
Augustus S. Chase of Connecticut
William P. Cochran, Jr. of Pennsylvania

From Class VI to Class V, Continued

Gerald A. Drew of California
Monroe B. Hall of New York
Gloyce K. Huston of Iowa
Perry N. Jester of Virginia
Kenneth C. Krentz of Iowa
J. Hall Paxton of Virginia
Guy W. Ray of Alabama
Walter H. Walmsley, Jr., of Maryland
Robert S. Ward of Ohio

From Class VII to Class VI

Walworth Barbour of Massachusetts
Jacob D. Bean of New Jersey
Barry T. Benson of Texas
Max W. Bishop of Iowa
William E. Flurnoy, Jr., of Virginia
Morris W. Hughes of Illinois
Elizabeth Humes of Tennessee
G. Grant Isaacs of Tennessee
Robert Jans of Oklahoma
Charles F. Knox, Jr., of New Jersey
Henry P. Lavarick of New Jersey
Raymond P. Ludden of Massachusetts
Thomas J. Malsady of Massachusetts
Patrick Mallon of Ohio
Robert M. McClintock of California
Edward D. McLaughlin of Arkansas
Troy L. Perkins of Kentucky
Kennett F. Potter of Missouri
Joseph P. Ragland of the District of Columbia
John P. Stone of Pennsylvania
Tyler Thompson of New York
Joseph I. Touchette of Massachusetts
William C. Trisble of Maryland
Whitney Young of New York

From Class VIII to Class VII

John L. Bankhead of North Carolina
M. Williams Blake of Ohio
Carl Brewer of New York
William F. Busser of Pennsylvania
Thomas S. Campen of North Carolina
David M. Clark of Pennsylvania
Harry M. Donaldson of Pennsylvania

From Class VIII to Class VII, Continued

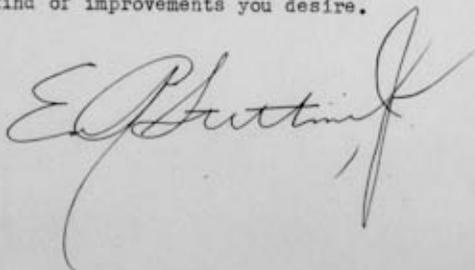
Jay Dixon Edwards of Oregon
Perry Ellis of California
James Espy of Ohio
Richard D. Gatewood of New York
John L. Goshie of New York
John D. Jernegan of California
Hartwell Johnson of South Carolina
Easton T. Kelsey of Michigan
Andrew G. Lynch of New York
Robert B. Memminger of South Carolina
Charles S. Millet of New Hampshire
Bolard More of Ohio
Brewster H. Morris of Pennsylvania
Jack B. Nenthery of Texas
Katherine E. O'Connor of Indiana
John Ordway of the District of Columbia
Charles O. Thompson of Alaska
S. Roger Tyler, Jr., of West Virginia
Woodruff Wallner of New York
Philip P. Williams of California
Robert E. Wilson of Arizona

From Unclassified (A) to Class VIII

Roland K. Bayer of Wisconsin
Niles W. Bond of Massachusetts
Robert P. Chalker of Florida
Wymerley deR. Coarr of Connecticut
V. Lansing Collins, Jr., of New York
Adrian B. Colquitt of Georgia
Thomas J. Cory of California
Edward A. Dow, Jr., of Nebraska
Nicholas Feld of Mississippi
William N. Fraleigh of New Jersey
John C. Fuss of Massachusetts
Boies C. Hart, Jr., of Connecticut
Richard H. Hawkins, Jr., of Pennsylvania
George D. Henderson of California
John P. Hoover of California
Donald W. Lamm of the District of Columbia
Frederick J. Mann of New York
Delano McKelvey of the District of Columbia
Minedee McLean of Louisiana
Julian L. Nugent, Jr., of New Mexico
Joseph Palmer, 2d, of Massachusetts
Richard H. Post of New York
M. Robert Rutherford of Montana
Robert C. Strong of Wisconsin
J. Kittredge Vinson of Texas
Alfred T. Wallborn of Louisiana
Charles H. Whitaker of Massachusetts

5. A thorough-going survey of our Foreign Service personnel, systems and procedures is being made with a view to adopting the newest techniques and to assure maximum efficiency.
6. Changes have been made and further changes are contemplated in the personnel handling Foreign Service matters within the Department.
7. We are studying the idea of giving the officers and enlisted men in the combat armed services an opportunity to apply for foreign service after the war and at once if honorably discharged from military service. We are considering the use of an examination which will take into consideration the fact that these men have been serving in the armed forces and have not been at college for the past few years.
8. Since only 17 per cent of our applicants pass the Foreign Service examination, we have been getting the academic type of fellow. Hence, we are studying the idea of shifting the emphasis to attract the strong, tougher type of individual.

Many other opportunities for improvement will become apparent as our survey proceeds. At any rate, the next list which will be submitted to you will reflect the kind of improvements you desire.



PSF Stettinius
Stet

THE WHITE HOUSE
WASHINGTON

March 13, 1944.

MEMORANDUM FOR
GENERAL WATSON

Will you find out when Ed
Stettinius is leaving? I want
to have him in for lunch before
he goes.

F. D. R.

*Leaving Wed 29th
He and his group are coming
in Friday for conference
with President.*

RECEIVED
MAY 23 1944
MUNICIPAL
THE WILLE HORSE

PSF Stettinius folder 2-44
March 17

file 1230
31.7.44

Mr. Stettinius will call on the President 12.30 Fri. March 17th, with those who will accompany him abroad, in order receive final instructions from the President.

Dr. Isaiah Bowman

Mr. John L. Pratt

Mr. H. Freeman Matthews

Mr. Wallace Murray

Mr. Robert J. Lynch

PSF Sullivan folder 2-44
STATS

file

THE UNDER SECRETARY OF STATE
WASHINGTON

March 17, 1944

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Proposed Establishment of a Free
Port in Mexico Forty Miles below
the Border

Thank you for your memorandum of March 13 on this matter. Consideration has been given to this problem by some members of the Department for some time, but, in view of your memorandum, I am instructing the appropriate officers in the Department, working in conjunction with the Department of Commerce, to make a comprehensive, searching, impartial review of all of the economic and other factors involved in the project. We are approaching the matter from the point of view of the establishment of a free port somewhere on the Mexican Pacific Coast or the Gulf of California within accessible distance of the border where it will benefit the States of Arizona, New Mexico, Nevada, Utah and Colorado. A copy of this report will be made available to you as soon as it is completed.

E. A. Tamm

Stettinius folder
2-44

THE WHITE HOUSE
WASHINGTON

March 13, 1944.

MEMORANDUM FOR

HON. E. R. STETTINIUS, JR.

I have your memorandum of March seventh in regard to the establishment of a free port on the Gulf of lower California below the Mexican-American border.

I don't agree with this at all! How does anybody in the State Department know a free port down there would be opposed by the Mexican Government? My information, which comes from a better source, is to the contrary.

I think Los Angeles might oppose it, but I think Arizona would heartily approve it -- also Nevada, Utah and even New Mexico and Colorado.

Of course no one knows whether "the project lacks economic justification". This angle has never been studied.

I never suggested that we take this up with the Mexican Government. This, of course, is not the time. But I did want to get the slant of the State Department!

F.D.R.

DEPARTMENT OF STATE
WASHINGTON

March 7, 1944

MEMORANDUM FOR THE PRESIDENT

Proposed Establishment of a Free Port
Forty Miles Below the Mexican Border

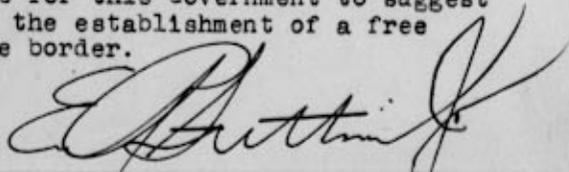
Punta Peñasco, on the Gulf of California about 55 miles south of the United States border, has in the past been mentioned as a possible site for a port, but not as a free port. The Legislature of Arizona has on several occasions in recent years adopted resolutions proposing the transfer to the United States of a strip of Mexican territory so that the State might establish a deep-sea port (not a free port) on the Gulf. Proposals of this nature were strenuously opposed by the Mexican Government and the Mexican press. It is believed that a proposal for a free port might meet equal opposition from the Mexican Government and press since it would be viewed as an attempt, under a different name, to extend United States sovereignty or administration over Mexican soil.

The establishment of a free port at the head of the Gulf of California would be resisted by California authorities as possibly taking business away from such ports as those of the Los Angeles area.

Since all reports indicate that the Arizona Senators and the Arizona interests in general are going to support the water treaty with Mexico there is apparently no need for consideration of a free port south of the border in conjunction with these waterways developments.

Finally, the project under consideration lacks economic justification as well as the elements for potential success, there being insufficient seaborne traffic in the area to provide business and therefore no demand for the facilities of a free port, and since shipping routes are well established to the Southern California area.

In view of all the circumstances it is not believed that it would be advisable for this Government to suggest to the Mexican Government the establishment of a free port forty miles below the border.



*file
Ed. Matthews
Confidential*

*BF Matthews folder
State 2-84*

DEPARTMENT OF STATE
WASHINGTON

NOTES FOR DISCUSSION WITH THE PRESIDENT
ON CONVERSATIONS IN LONDON,
APRIL 7th TO 29th, 1944

I
BRITISH OFFICIALS

The Prime Minister

April 9th-10th at Chequers -- with Ambassador Winant; April 15th at Chequers -- with Winant, Bowman and Pratt; April 19th, two calls at 10 Downing Street; April 26th at 10 Downing Street; April 28th at 10 Downing Street -- with the members of the mission.

Among the most important subjects which the Prime Minister raised were:

1) French Directive.

The Prime Minister is thoroughly in agreement with the position stated in Mr. Hull's speech of April 9, 1944. He feels, however, that the proposed directive is not consistent with this position and that he therefore cannot approve it. He proposes to leave the whole matter in status quo now that Eisenhower has begun working informally with the French representatives. I pointed out at our last meeting that the Combined Chiefs of Staff had told Eisenhower that such arrangements must be only "tentative", and that I felt the Prime Minister must take some action on the President's draft so that a formal directive can be sent to Eisenhower by the Combined Chiefs of Staff.

2) Food for Occupied Countries in Europe.

The Prime Minister is strongly opposed to any action concerning relief for the populations of occupied Europe before the coming operations, on grounds of military security. The Foreign Office, however, plans to review the matter again.

3) Ireland.

The Prime Minister feels that the harder we push Ireland the more we will get from her. He stated that he felt the only possibility of a leak, now that communications with Britain and elsewhere are out off, is from ships sailing to the United States and that we might have to delay turn-arounds as the critical moment approaches.

4) Spanish Wolfram.

I had several discussions on Spanish wolfram with the Prime Minister during my several visits with him. On my last visit, he stated that he was pleased that we and the British have reached an agreement. He was disappointed, however, that the Japanese matter has been raised at the last minute. He felt that the Japanese representatives in Tangier could be isolated, and that, if necessary, we could press the point later on.

5) Swedish Ball-Bearings.

Regarding the Swedish ball-bearing situation, I explained to the Prime Minister the proposal to pay SKF approximately \$20,000,000 for their entire production, and to blacklist the company if they refuse our offer. The Prime Minister stated that this appeared satisfactory and that he would urge the British Government to join us if blacklisting became necessary.

6) Switzerland.

The Prime Minister is anxious that we tread lightly in matters regarding Switzerland because of the importance of her role as intermediary between the United Nations and the Axis Powers, which she has fulfilled very satisfactorily, he feels.

7) Argentina.

Both the Prime Minister and Mr. Eden assured me that Britain will do everything possible to back up the United States in our relations with Argentina, provided the problem of British supplies of meat and other commodities now received from Argentina can be solved. The British are thoroughly aware of the danger of a new South American bloc centered around Argentina, and appreciate the necessity for a firm united stand by Britain and the United States.

8) World Security Organization.

The Prime Minister spoke on the world security organization to Ambassador Winant, Dr. Bowman, Mr. Pratt and me at our visit to Chequers on April 15th. The major aspects of the problem were covered, and the Prime Minister drew a chart to illustrate his views. His views on the Supreme Council are not unlike those of the State Department. Mr. Churchill believes, however, that the world security organization should rest on three regional councils -- European, Western Hemisphere and Asiatic. The Foreign Office apparently does not share this view, and this point will have to be thrashed out within the British Government.

While Mr. Eden feels that early public announcement of postwar security discussions would be desirable, the Prime Minister feels this should be postponed until the war is further along.

9) Economic Talks.

The Prime Minister does not feel the urgency of United Nations economic talks. He spoke of continuing the conversations within the "next few months." He mentioned the British political situation in this connection and also the necessity for thorough conversations with the Dominions before discussions can be resumed.

It is clear that the Prime Minister is reluctant to place too great an emphasis on postwar problems at this time. He recognizes, however, that the political situation in the United States may make it necessary to proceed at a faster pace.

10) Dollar Position.

The Prime Minister spoke of the necessity for viewing Britain's total world financial position and not just her gold and dollar position. He spoke repeatedly of Britain as "the debtor nation of the world," and he requested that I listen to Sir John Anderson's presentation of Britain's overseas financial position. (See note on discussion with Sir John Anderson below.)

11) Russian-Polish Relations.

The Prime Minister seemed encouraged by the reports that the Polish underground is cooperating with the Red Army. He discounted Molotov's denial to Harriman that such relations existed.

12) Greece.

The Prime Minister stated that the Communistic element is causing difficulties in Greece and that he felt it would be difficult to restore order within that country after reoccupation. The situation became so tense recently that Britain cut off food supplies to the rebellious Greek forces, and three divisions in Egypt which were ready to sail for Italy had to be disarmed. On my last visit, however, the Prime Minister seemed more encouraged.

13) Brazilian Expeditionary Force.

The Prime Minister is strongly opposed to anything more than a token force or "brigade" from Brazil at present, and this in the Mediterranean theater.

In a later conversation, I explained the position of our Joint Chiefs of Staff, our commitments to Brazil, and the present plans for the size and sailing dates of the Brazilian forces. He seemed satisfied with this. (See discussion with Mr. Eden on same subject.)

14) European Advisory Commission.

The Prime Minister feels that the EAC discussions of surrender terms are moving too slowly, but he did not appear familiar with the details of the work of the Commission.

15) Definition of Unconditional Surrender.

The Prime Minister discussed with me the advisability of a definition of unconditional surrender. He leans in the direction of no detailed definition at this time.

16) Shipping.

The Prime Minister talked about shipping and emphasized the vital economic necessity of a large merchant fleet to postwar Britain. He feels that the "love of the sea" of the British and the "love of the farm" of the Americans will be an important factor.

17) Anglo-American Cooperation.

The Prime Minister in all our conversations mentioned the importance of Britain and the United States remaining firmly united after the war.

18) Other Matters.

Other matters mentioned by the Prime Minister were:

1. His suggestion that deGaulle pay a secret visit to Washington.
2. The possibility of inviting Mr. Wilkie to visit Britain later this year.
3. The matter of the Polish Prime Minister paying a visit to Washington.
4. The possibility of a secret surprise by the enemy in the coming operations.
5. The necessity for rebuilding a strong France in the postwar world.
6. His frank views on China as a great power.

The Prime Minister spoke repeatedly of his loyalty to the President. He inquired in a warm manner about the President, Mr. Hull and Mr. Hopkins.

The Prime Minister was enthusiastic about Mr. Hull's speech of April 9th. He read it aloud and discussed it paragraph by paragraph while I was at Chequers on Easter night.

The Prime Minister mentioned with particular admiration General Marshall. He also spoke well of the work of Mr. Philip Reed.

Mr. Anthony Eden

April 11th at Binderton, Eden's country place -- with Winant and Matthews; April 15th-16th, weekend at Binderton -- with Winant; April 24th at the Foreign Office; April 25th at the Foreign Office -- with the Russian Ambassador; April 28th at the Foreign Office -- with the members of the mission.

Among the most important subjects that Mr. Eden and I covered in our conversations were:

1) French Directive.

Mr. Eden feels that in the matter of the French directive we are at a deadlock. He feels committed by a speech he made in Parliament

on September 22nd, in which he stated specifically that his Government would deal with the French Committee. He feels that the proposed directive and the position taken in Mr. Hull's speech are incompatible.

2) Relief to Occupied Countries.

Mr. Eden stated that he felt it was hopeless to bring the relief question before the War Cabinet again, because they are firmly opposed to any action for operational and security reasons. They take the view, he said, that "the best thing for the people in the occupied areas is to turn the occupied areas into liberated areas as soon as possible."

Just before we left London, however, Mr. Neville Butler informed Mr. Matthews that the Foreign Office would review the matter again.

3) Spanish Wolfram.

Mr. Eden and I discussed several times the developments in the Spanish wolfram situation. I impressed on him the vital importance to American public opinion of stopping all Spanish and Portuguese wolfram shipments. He was very pleased with the final agreement between the United States and Great Britain.

4) Portuguese Wolfram.

After reviewing the Spanish situation thoroughly with Mr. Eden, he stated that he was prepared to go "at least as far" with Portugal as we succeed in going with Spain.

5) Argentina.

Mr. Eden, like the Prime Minister, expressed the determination of his Government to back up the United States in any action we feel necessary provided the British supply problems could be solved.

6) World Security Organization.

In the main, Mr. Eden feels that we are already very close together in our thinking on the world security organization. He does not feel that the regional councils proposed by the Prime Minister are necessary.

Unlike the Prime Minister, Mr. Eden is anxious to get ahead with the security talks as quickly as possible and believes that an early public announcement in this regard would be helpful. While Mr. Eden is thoroughly in agreement with holding the first conferences on world security in Washington or nearby, he suggested that attention be given to the possibility of holding some other conference at an early date in Moscow.

Mr. Eden spoke of the importance of another meeting between Mr. Hull, Molotov and himself late this summer at some convenient location.

7) United Nations Economic Discussions.

In all conversations, I pressed for the early resumption of economic talks. The Foreign Office seems willing to proceed promptly with the economic talks, but the Prime Minister's caution and political sense are having great weight.

8) United Nations Economic Steering Committee.

Mr. Eden regretted that we could not settle the economic steering committee matter while I was in London. He promised to press the matter with the Prime Minister and the War Cabinet, and to communicate with the State Department within the next two weeks.

9) Termination of Lend-Lease.

Mr. Eden, Mr. Law, Ambassador Winant and I discussed the difficulties which would arise if hostilities ceased suddenly and Lend-Lease came to a sudden halt. We discussed the possibilities of some other mechanism, perhaps long-term credits, to permit the continuation of the flow of food and raw materials to Britain from the United States during the interim period until normal commercial trade can be resumed, and thus eliminate the serious dislocations in employment and commerce both in the United States and Britain which might otherwise result.

10) Shipping.

A thorough discussion on shipping took place with Mr. Eden. He is quite familiar with the President's formula and discussed it thoroughly. Mr. Eden stressed the point that Britain's economic future depends on a large volume of exports and that this will require a large and vigorous merchant marine.

11) Russian-Polish Relations.

Mr. Eden seems hopeful that the Russians and the Poles themselves will eventually work out a mutually satisfactory solution of their disagreements. He seemed optimistic, but not so much so as the Prime Minister, over reports of cooperation between the Polish underground and the Red Army.

12) Roumania.

Mr. Eden was encouraged by the fact that the Russians had at last taken an interest in Prince Stribey's negotiations. He feels that the Russians are showing a genuine desire to cooperate with Britain and the United States in the Roumanian situation.

13) Brazilian Expeditionary Force.

After I informed Mr. Eden of the proposed size and sailing dates of the BEF, and the political considerations involved, he felt that this would be satisfactory to his Government and promised to take it up immediately and advise the Department.

14) European Advisory Commission.

Mr. Eden feels that we are not fulfilling our agreement reached at Moscow concerning the scope of the work of EAC, and that we are jeopardizing the success of the EAC and Russian collaboration with the United States and Britain by whittling down EAC's scope of authority. He emphasized the British view that the scope of EAC's work should include agreements with the governments-in-exile and general provisions for the government of liberated areas.

In conversations with Ambassador Winant, members of the Foreign Office and myself, Mr. Eden emphasized with great firmness the vital importance of reaching immediate agreement on surrender terms. He stated that if the three governments did not reach agreement in the near future, he would ask the EAC representatives to meet with him in an attempt to speed matters along. Mr. Winant hoped that agreement could be reached before he leaves for Washington about May 8th.

Sir Alexander Cadogan and Mr. Richard Law

April 12th

Among the most important points discussed were:

1) European Advisory Commission.

Sir Alexander Cadogan and Mr. Law were likewise discouraged about the progress of the EAC, and agreed with me that we should all press for immediate agreement on surrender terms.

Sir Alexander also stated that the scope of EAC's authority was being too narrowly interpreted. He said that it was agreed at the Moscow Conference that the French Civil Affairs matter should be discussed in EAC and that the British are having trouble with the Russians over the failure to consult them. I pointed out that we had originally suggested that the October 6th draft memorandum on France should be taken up by EAC and that the British had later objected to this on the grounds that subsequent events had superseded the draft.

2) World Security Organization.

Mr. Law informed me that Congressman Fulbright had told him that he felt Congress is now in the mood to authorize participation in an international organization; that the Republicans would not dare to oppose it this summer. On the other hand, if the war were over this summer and the Republicans were victorious in November, he said there was a possibility that certain elements in the Republican Party might again move toward an isolationist viewpoint.

3) Economic Talks.

Mr. Law urged that the economic conversations be carried on in May, from the point where he and Lord Keynes left off last autumn. I fully concurred in the importance of this, and the necessity of having concrete proposals to work on.

Sir William Strang

April 12th

Dr. Bowman, Mr. Matthews and I had a general review of the work of EAC. I emphasized to Sir William Strang the great danger inherent in the delay in reaching agreement on surrender terms. He thought the difficulties could be solved in one month. I told him I felt this was too long and that quicker action was necessary if we were not to run a serious risk of being caught unprepared by a sudden offer of surrender.

Sir John Anderson

April 27th

Sir John Anderson discussed with me, after a luncheon at his home, the overall financial position of Great Britain. He pointed out that the net deterioration in their overseas financial position would exceed fifteen billion dollars by the end of 1944, and that their external liabilities by that time will probably be around twelve billion dollars. Against this, the British have built up gold and dollar balances which amounted to 1.3 billion dollars at the end of 1943, and will probably rise to 1.6 billion dollars by the end of this year. He emphasized that these balances were only a small fraction of Britain's external liabilities. A memorandum giving full details on this conversation will be prepared for the State Department, the Treasury Department and FEA.

Discussion with King George VI

At the King's invitation, I called on him on April 17th, and had an interesting hour's discussion, reviewing in detail the work of our mission in London and other matters of concern to our two Governments.

Informal Talk to Members of Parliament

On April 26th, at the request of the Prime Minister and Mr. Eden, I addressed an all-party committee of Parliament, numbering about two hundred members. I had declined a request to do this which was waiting me on my arrival, but Mr. Eden later urged on me the importance which he and the Prime Minister attached to such a meeting from the standpoint of good-will.

I spoke off-the-record for about half an hour on general matters of interest to our two countries. Afterwards, I answered a number of miscellaneous questions for fifteen minutes.

Off-the-Record Press Conference with Mr. Eden

At Mr. Eden's request, he and I held an off-the-record press conference on April 26th with ten British diplomatic correspondents whom Mr. Eden meets regularly. The conference lasted an hour. I was asked to make a general statement, which I did, and then answered questions jointly with Mr. Eden. This meeting was in lieu of a general conference with the British press which was requested but which I felt could best be handled in an off-the-record, private manner.

Other Officials of the British Government

In addition to the conversations and meetings outlined above, I had conversations with the following British officials:

Mr. Ernest Bevin, Minister of Labor
Colonel J. J. Lewellin, Minister of Food
Mr. Oliver Lyttelton, Minister of Production
Lord Catto, Governor of the Bank of England
Sir Orme Sargent, Deputy Under-Secretary of State
Sir Maurice Peterson, Deputy Under-Secretary of State
Lord Leathers, Minister of Transport
Lord Portal, Minister of Works
The Earl of Selborne, Minister of Economic Warfare
Lord Cherwell, Paymaster General, Assistant to the Prime Minister
Lord Keynes, Advisor to the Treasury
Lord Beaverbrook, Lord Privy Seal.

On April 24th, the members of the mission were entertained by Mr. Eden and the members of the War Cabinet at a dinner where much informal discussion took place.

II

AMERICAN OFFICIALS

Ambassador Winant

I had a long talk almost daily with Ambassador Winant on a wide range of subjects. I kept him fully informed concerning the subjects which we were taking up in our conversations. He accompanied me on many of the talks, and his assistance proved most helpful throughout our stay in London.

1) European Advisory Commission.

I discussed the EAC with Ambassador Winant on numerous occasions. It is my feeling that matters had been proceeding very slowly on the surrender terms. Progress was beginning to be made, however, during the latter part of our stay in London.

The misunderstanding over Ambassador Winant's authority to negotiate on surrender terms seems now to have been satisfactorily clarified.

It is my view that the United States Government should review carefully the organization, functions, and scope of authority of EAC. It is obviously not proving to be of the importance that the British had hoped it would be. It is clear that if the scope of EAC's authority is enlarged, a considerably larger staff will be required.

A full report on the EAC will be submitted.

General Eisenhower

I called on General Eisenhower in April 12th, as a matter of courtesy. Afterwards, I met with General Bedell Smith and members of his staff.

On April 25th, Mr. Matthews and I called on General Smith and Ambassador Phillips. We also saw General Eisenhower on this occasion.

In these discussions, General Eisenhower and his staff raised with us a number of diplomatic matters involved in military operations. The most important of these were:

1) Zones of Occupation.

General Eisenhower has a deep conviction that there should be a combined Anglo-American zone and not two separate zones. The combined command is now functioning very efficiently; supply and shipping matters are being handled effectively through the combined boards. It would be tremendously wasteful, he feels, to try to separate the forces and the supply organization of the two nations for the purposes of occupation.

General Eisenhower took the matter up through the military a month ago, and he has gotten nowhere. He asked me to take it up with Secretary Hull and the President.

This problem is intimately tied up with the long-range problem of our relations with Britain in dealing with postwar European matters. I am taking the subject up with the Secretary and will submit to you a memorandum on our views.

2) German Morale and Unconditional Surrender.

General Smith stated that the morale of the German Air Force is high and that the Gestapo still has complete control. He feels that something should be done to weaken this morale before the invasion starts.

General Smith pressed vigorously for a memorandum on "Unconditional Surrender" which can be used as the basis for a statement to the German people over the heads of the Nazis, saying that the German people will receive humane treatment. His thought is to obtain the approval of the Soviets, the British and ourselves to a general statement of our intentions.

This view is held by all American representatives in London, civilian and military alike.

A detailed memorandum on this subject will be submitted.

3) Swedish Ball-Bearings.

General Smith believes that we should proceed with the plan of paying SKF \$20,000,000 to purchase their entire output and sabotage their own plant. He greatly regretted the publicity that has been given this subject.

Ambassador Phillips

I had several private talks with Ambassador Phillips. The most important subjects discussed were:

1) European Advisory Commission.

Ambassador Phillips is very disturbed over the slow progress of the EAC. He stated that Mr. Kennan had left discouraged.

2) French Representatives.

Ambassador Phillips stated that he hopes the French Committee will send two or three representatives from the French Assembly to London. I suggested that he consult Ambassador Murphy and Ambassador Wilson on this.

Mr. Phillips stressed the need to consult the French Committee immediately about military propaganda for use when the invasion begins. The delay in dealing with the French Committee had seriously delayed this.

3) Information.

Ambassador Phillips was having a difficult time obtaining information cables from Ambassador Winant and, as a result, SHAEF

had not been kept currently informed. I arranged for Ambassador Winant to have Phillips promptly furnished with a paraphrase of every cable that comes in concerning his work.

Other American Officials

In addition to the conversations outlined above, I had conversations with the following American officials:

- 1) Mr. John McCloy and General McNarney reviewed with Ambassador Winant and me the purpose of their visit to Britain and discussed with us various diplomatic aspects of the coming military operation.
- 2) Admiral Stark and I had many conversations. We discussed certain matters of a secret nature on which I shall report orally.
- 3) General J. C. H. Lee invited Dr. Bowman, Mr. Pratt and me to dinner, where we discussed war supply questions.
- 4) Congressman Fulbright discussed with me on several occasions the work of the Educational Committee.
- 5) Mr. Philip Reed reviewed with me thoroughly, in a number of talks, the work of his supply mission. I met with his staff at one of their weekly meetings, and discussed with them various supply problems.
- 6) Mr. Winfield Riefler discussed with me various aspects of economic warfare. He feels that he could discharge his duties as Minister and as head of the Blockade Committee with much greater effectiveness if he were kept more fully informed. He pointed out, for instance, that he had never seen the Anglo-American note to Turkey of April 13th before it was presented, and that six months had gone by before he was consulted on the Spanish wolfram matter.
- 7) Mr. Harvey Gibson reviewed with me and Mr. Pratt the work of the Red Cross in Britain and took us through the Red Cross headquarters in London.
- 8) Colonel Anthony J. D. Biddle, Jr., and Mr. Rudolph Schoenfeld reviewed with me in detail matters concerning the Governments-in-Exile. These are discussed below in Part III.
- 9) Mr. Lithgow Osborne, Deputy Director General of UNRRA in Britain, called on me at his request. He is very disturbed because there is no agreement between UNRRA and the military as to when UNRRA is to go into the liberated areas. He is also concerned over the fact that the planning for inland transportation seems to be moving slowly.
- 10) Mr. Herbert Pell reviewed with me the work of the War Crimes Commission. He is very anxious to receive instructions concerning punishment for persons guilty of Jewish persecution inside Germany.

- 11) Mr. Robert Sherwood in two discussions reviewed with me the work of the OWI in Britain.
- 12) The American Press. At Ambassador Winant's suggestion, I held an off-the-record press conference shortly after my arrival in London to which one representative from each of the major American press associations and newspapers was invited. I made a brief statement and then answered questions for about an hour. I held a brief similar conference just before leaving London.
- 13) American Embassies. I made a tour of the Embassy in London and discussed with Ambassador Winant and other officials various administrative problems. I asked Mr. Robert J. Lynch to make an examination of the administrative problems in both Embassies. A separate memorandum will be submitted to Assistant Secretary Shaw on this subject.

Ambassador Harriman and Ambassador Murphy

I and the members of the mission met Ambassador Harriman and Ambassador Murphy in Marrakech on April 31st. We had several long discussions.

- 1) Ambassador Harriman discussed certain important military matters on which I shall report orally. He asked permission to go to London before proceeding to the United States in order to report these matters to General Eisenhower immediately, and I advised him to do so.

Mr. Harriman is perturbed over the delay in arriving at an agreement with the Soviets concerning financial arrangements for inventories and goods under contract in the United States at the end of the war for Lend-Lease to Russia, and for long-range industrial equipment presently being furnished the USSR under Lend-Lease. He feels it is very unwise to proceed with the Fourth Protocol until this matter is settled. He asked me to take the subject up with Mr. Hull.

Mr. Harriman has a number of important topics which he wishes to discuss with the Department, and he is coming on to Washington for that purpose.

- 2) Ambassador Murphy and I had a general review of French, Italian and Balkan matters. I described to him the developments on the French directive in our conversations in London. He described to me the latest developments in the Italian political situation which have been reported in full to Mr. Hull last week.

I discussed the work of the European Advisory Commission with Mr. Murphy, and a suggestion of Mr. Philip Reed that a civilian economic advisor be appointed to General Eisenhower.

III

REPRESENTATIVES OF ALLIED GOVERNMENTS

The Soviet Ambassador

1) Ambassador Winant and I called on Ambassador Gousev on April 12th. I explained to him that it was not convenient for Secretary Hull to go to London at this time, and that I had been asked to do so. I stated that we would keep him informed as to our conversations.

I stressed the need for speeding up agreement on the surrender terms in the EAC, and Ambassador Gousev agreed.

The Soviet Ambassador emphasized that the one item they were having difficulty in agreeing on was the Russian suggestion for making the entire German Army prisoners of war. He felt this was the only way in which the United Nations could have adequate control over the demobilized Army.

2) On April 25th, Mr. Eden and I reviewed our conversations with the Soviet Ambassador in Foreign Secretary Eden's office. Ambassador Winant, Sir Alexander Cadogan and Neville Butler were also present. The Soviet Ambassador seemed thoroughly satisfied.

Mr. Eden again stressed the need of pressing for an agreement on surrender terms.

I urged economic collaboration in Iran on the part of all three governments. It was agreed that their diplomatic representatives there should be instructed to meet in Tehran.

3) On April 28th, I called on the Soviet Ambassador to make certain that he was satisfied with our information to him. He inquired whether we had had any specific discussions on geographic matters in Europe, such as the partitioning of Germany, the treatment of the French, etc. I advised him that Dr. Bowman had a preliminary exchange of views with the British, but that our thinking on these subjects had not yet crystallized.

The Chinese Ambassador

On April 18th, Ambassador Winant, Howard Bucknell, and I called on Ambassador Koo to explain the purpose of my visit to London. We had a most interesting exchange of views on a wide range of general topics.

On April 25th, the Chinese Ambassador called on me for a general conversation as to the progress of our talks in London. He inquired as to whether we had taken any position on Indian affairs, and whether or not we had raised with the British any territorial questions in the Far East. I informed the Ambassador that nothing of significance had occurred on these subjects.

I inquired of Ambassador Koo as to the status of Dr. T. V. Soong. The Ambassador informed me confidentially that Dr. Soong has had a bad quarrel with the Generalissimo. However, his family prevailed upon him not to resign his positions. He resigned only as Chairman of the Bank of China, and will remain as Foreign Minister. He is very popular with the people, but not with the political party.

Conversations with Representatives of the Governments-in-Exile

Ambassador Winant felt it advisable for me to take the initiative in seeing the Foreign Ministers of the exiled governments, by asking them all for tea. This we did on April 12th.

In addition, the following representatives of the exiled governments called on me and our Charge d'Affairs, Mr. Rudolph E. Schoenfeld, or received us at their request:

1) Belgium.

Mr. Camille Gutt, the Belgian Minister of Finance, called on me on April 27th, and we discussed the following matters:

1. The costs of the army of liberation and the Belgian feeling it is unfair to ask them to pay the wages of United States forces;
2. The conclusion of a Civil Affairs Agreement.

2) Czechoslovakia.

On April 25th, I saw President Benes of Czechoslovakia at his residence at his request. He asked me to report to Secretary Hull and the President that he had made no new commitments or agreements when he was in Moscow.

Mr. Benes is confident that our invasion operations and the Russian operations this summer will bring about the collapse of the German Army this year. He spoke of the possibility of returning to his country by September. He felt there was a distinct chance that Germany would give up and ask for a United States-British army of occupation before the Russians could reach the German boundary.

President Benes asked me to report that in about three weeks' time he would submit what he terms "The Armistice Terms of Czechoslovakia," in which they would ask for nothing -- territorial or otherwise. He desires to move the German population out of Czechoslovakia gradually. He has a reparations scheme for paying these Germans in script for their property, the script to be redeemed by the new German government. It is his ambition only to have the Czechoslovakian nation re-established as it was before Munich.

3) Greece.

On April 7th, the King of Greece called on me at his request. The King is very disturbed about Communist activity in Greece. He thinks when the Germans withdraw their forces, a small army of re-occupation will have to be sent by the United Nations to restore order and make it possible to hold an election to determine the will of the people of Greece.

4) The Netherlands.

April 27th, Dr. E. N. van Kleffens, Netherlands Minister for Foreign Affairs, and Mr. J. van den Broek, Minister of Finance for the Netherlands, called on me. They discussed the following subjects:

1. The redemption of Netherlands currency put at the disposal of the American military authorities.
2. The possible inclusion of the cost of repairs of Dutch ships in United States ports under Lend-Lease.
3. The desire of the Netherlands Government to secure a loan from the Reconstruction Finance Corporation.
4. The European Advisory Commission.

5) Norway.

I called on the King of Norway on April 27th, at his invitation. The King discussed many subjects with me and raised the following three questions:

1. The absence of sufficient consultation by the great powers with the lesser Allies.
2. The question of diplomatic representation.
3. The British ban on cipher, code and uncensored correspondence other than British, American and Russian.

I called on the Crown Prince of Norway on April 27th, at his invitation, and our conversation revolved around economic and financial subjects.

Mr. Trygve Lie, the Norwegian Minister of Foreign Affairs, called on me on April 27th. He stated that the Norwegian Government was pleased with its arrangements with the United States and that they were grateful for our war aid. The Norwegians were concerned, however, over the question of American diplomatic representation and the Civil Affairs arrangement.

On April 19th I saw Ambassador Morgenstierne. He expressed great concern because we have not appointed a full Ambassador to Norway. Also, he is stranded in England and cannot get back to the United States because of the recent ban on diplomatic travel. He asked my assistance in arranging for his return to Washington. I have taken no action in this regard.

6) Poland.

I met Mr. Mikolajczyk, Polish Prime Minister, at Chequers, on April 9th.

On April 27th, Mr. Mikolajczyk and Mr. Romer, Polish Foreign Minister, called on me and raised the subject of the Polish underground and its relations with the Red Army, and the Polish boundary question. I was favorably impressed with the Polish Prime Minister, who is a man of strength and intelligence.

7) Yugoslavia.

The Yugoslavian Prime Minister called on me on April 26th. He emphasized that his people are behind Mikailovich and not Tito, and that Mikailovich has not aided the Germans. The day before we left, he called on me again to inquire whether there had been any new developments since his previous visit. I was non-committal.

8) Luxemburg.

I called upon the Grand Duchess of Luxemburg at her invitation. A general conversation took place at which her husband, Prince Felix, was present.

9) General.

In a talk on April 24th, Colonel Anthony Biddle stated that he feels the proper time to appoint individual American Ambassadors to exiled governments is when the military withdraws and the exiled governments return to their countries. He recommends appointing Mr. Schoenfeld to Holland at that time.

IV

CONVERSATIONS OF DR. ISAIAH BOWMAN

1) World Organization.

In the field of world organization, there were frank and detailed comments by British officials including the Prime Minister, Foreign Secretary Eden, Sir Alexander Cadogan and others. They covered the following subjects:

1. Composition of the Executive Council conceived with larger representation of small states than we envisage.
2. A possible "Defense Committee" of the Executive Council (including some representation of small states) to deal more directly and swiftly with security.
3. Military bases under international authority.
4. Mandated territories of 1919, legal position and desirability of waiting final action until France can participate as a restored power.
5. Organization and use of military contingents for international security.

2) World Court.

The World Court, said Sir William Malkin, will increase the co-operative habit and not merely the machinery of peace. While nations do not make wars because of cases like those which have come before the Court, international law, which the Court represents (as well as other bases for the settlement of disputes, such as conciliation and arbitration), is one way of bringing the different legal systems of the world into a working relation. The British emphasized that our presence is essential on the Court, and therefore they express readiness to accept any reasonable modifications of their proposal that the United States finds politically feasible.

3) Colonial Policies.

After a hands-off attitude at first, a change occurred in the British position. Four propositions were developed for further discussions at Washington, with a new proposal to London in view. They are designed:

1. To open the question with Great Britain on a practical and realistic basis;
2. To provide the United States with a policy with respect to the future of the Japanese mandated islands in the Pacific;
3. To enable us to enter the French colonial question;
4. To draw in also the Netherlands, Belgium and possibly Portugal.

CONVERSATIONS OF MR. JOHN L. PRATT

Mr. Pratt had a number of talks with various British officials on problems of war supply, postwar international commerce, and postwar internal reconstruction in Britain and the United States. Some of the most important of these talks were:

1) Shipping.

The proposed interim United Nations shipping board was discussed with Lord Leathers, as well as the general postwar picture. Lord Leathers stated that the President had agreed to discuss the matter further with him before definite proposals are made.

2) Lend-Lease Inventories.

Mr. Pratt reviewed the British inventories of all goods supplied to Britain under Lend-Lease and goods of a similar character. He concluded that, in the light of shipping needs for coming operations, the stockpiles are not too large.

3) Reconversion.

Mr. Pratt exchanged views with Lord Woolton, Mr. Lyttelton, Mr. Maud and Mr. Franks on postwar reconversion, demobilization, and disposal of surplus stocks. He concluded that due to Britain's nearness to the war, this problem has had very little attention at the Ministerial level, and that in general we are a good deal further ahead in the United States in our planning on such matters. Copper and wool will be in great surplus and need attention from the British standpoint.

4) Cartels, with Mr. Law, Mr. Ronald, Dr. Robbins and Sir Andrew Duncan.

It is clear that the British did not recognize cartels as a vital problem until we raised the issue in the 1943 talks. Even though some of them may admit some of the evils connected with cartels, they emphasize that the unscrambling process would be very long and difficult. Sir Andrew Duncan at a later meeting stated that he believed a certain number of cartels to be inevitable and that the United States would be forced to accept them as our economy ceased expanding.

5) Manpower Problem.

In the transition period between the end of the European war and the end of the Japanese War, there will not be sufficient release of people from the war effort to permit the British to resume exporting in any considerable volume. Dr. Dennison estimates that three million people will be released but those will just about offset two million women and five hundred thousand old men who will stop working. Hence, they feel the need for some form of Lend-Lease assistance or other form of credit for some time to come.

CONVERSATIONS OF MR. WALLACE MURRAY

Mr. Murray held a number of conversations with officials of the Foreign Office, headed by Sir Maurice Peterson. The talks covered all the countries of the Near and Middle East. Among the most important points covered were:

1) Palestine.

British views on Palestine are closely similar to those discussed and formulated by the Department of State: Continued immigration until the quota of the White Paper is filled; no territorial division; possible acceptability of local government of separate Arab and Jewish communities by Arab and Jewish officials respectively; government of the four principal cities of mixed population on an Advisory Commission principle, under United Nations authority, but with undivided executive power to be exercised by the trustee, presumably Britain; Palestine not a part of an Arab Confederation; future unrestricted immigration of Jews a source of certain trouble. The British do not favor a joint declaration by the United States and Great Britain on Palestine at this time.

2) Bahrain.

The British agreed to permit American consular services in Bahrain.

3) Iran.

Mr. Murray proposed economic discussions between the American, British and Soviet diplomatic representatives in Iran to implement the Tehran declaration on Iran. This proposal was agreed to by the Foreign Office, and after Secretary Hull's approval, was communicated to the Soviet Ambassador by Mr. Eden and myself.

4) Saudi Arabia.

The American oil interests in Saudi Arabia and the proposed British financial and military missions to that country were discussed.

5) Middle East Supply Center.

The MESOC was discussed with the assistance of experts on both sides. It was agreed that every effort should be made to continue operations on a joint basis with full participation by both American and British officials.

It was also agreed that the MESOC would probably have to continue to solve supply dislocations after the war, and that the governments of the Middle Eastern countries should gradually be drawn into participation.

VII

CONVERSATIONS OF MR. H. FREEMAN MATTHEWS

Mr. Matthews accompanied me on many of my conversations with officials of the Foreign Office noted above. In addition, he discussed in detail the situation regarding all European countries with the appropriate officials of the Foreign Office. Some of the most important of these talks were:

- 1) France, with Mr. Harvey and Mr. Mack. The British officials are far more optimistic than we that the National Committee will be welcomed wholeheartedly in France. They stated, however, that they had no intention of recognizing the Committee as the provisional government before it goes into France, but the impression was that they would do so at an early date if it has a semblance of general popular support.
- 2) Yugoslavia, with Sir Orme Sargent. The British have taken a strong stand against the Pouritch Government. They are doing everything possible to persuade King Peter to form a new Government and to make a conciliatory declaration with the hope of reducing Tito's opposition. They admit, however, that there is small possibility of a reconciliation between Tito and the King.
- 3) Russia. Mr. Matthews had a general exchange of views on Russia with Mr. Warner. They discussed particularly the relations of the USSR with Great Britain and the United States. He endeavored to allay unfounded British anxiety lest we be less patient with the Russians than the long broad view warrants.
- 4) Poland, with Mr. Harvey and Mr. Roberts. The British officials are convinced that the Polish Government in London does in fact represent the substantial majority of Poles. They can see no steps, however, which could be taken at the present time to improve Polish-Russian relations.

file copy

THE UNDER SECRETARY OF STATE
WASHINGTON

REGRADED UNCLASSIFIED

May 26, 1944

[REDACTED]

MEMORANDUM FOR THE PRESIDENT

Attached you will find a copy of my report to Mr. Hull, covering our recent London conversations, certain sections of which I believe you would wish to have available for reference purposes.

E. Stettinius

This report has been published in Foreign Relations, 1944, Volume 3, pp. 1 - 30.

Stettinius' memorandum for the President (5-26-44) and the "List of Conversations" at the end of the report were not published.

*BSE
State
Stettinius*

SECRET
BY EXECUTIVE ORDER

REPORT
to
THE SECRETARY OF STATE
THE HONORABLE CORDELL HULL

Submitted by
The Under Secretary of State
E. R. STETTINIUS, Jr.

On Conversations in London
April 7th to April 29th, 1944

THE PRESIDENT

REGRADED UNCLASSIFIED

2

R E P O R T

to

THE SECRETARY OF STATE
THE HONORABLE CORDELL HULL

Submitted by
The Under Secretary of State
E. R. STETTINIUS, Jr.

On Conversations in London
April 7th to April 29th, 1944

THE UNDER SECRETARY OF STATE
WASHINGTON

May 22, 1944

LETTER OF TRANSMITTAL

My dear Mr. Secretary:

It gives me pleasure to transmit to you herewith a report on the conversations carried on in London on your behalf from April 7th to April 29th, 1944.

As directed by you and the President, the objective of our Mission was to exchange views with members of the British Government on any subjects of current mutual interest which the British desired to discuss with us. We sought also to establish with British officials relationships of frankness and mutual confidence, having in mind the vital importance of such relationships in the solution of our common problems both during the war and in the post-war era. In the carrying out of these objectives I was given most loyal and capable support by all the members of the Mission and by Ambassador Winant and other American officials in Britain.

We were accorded a most warm and hospitable reception by the British. They displayed throughout our talks the same spirit of frankness and cooperation which motivated our approach to them.

In the course of the conversations, the British raised with us a large number of topics of both immediate and long-range importance. I explored a large number of these topics with senior British officials

The Honorable
Cordell Hull
Secretary of State

discussing in particular detail a number of currently pressing matters such as the European Advisory Commission, the French directive, shipment of war supplies to the Axis from the neutral countries, the Brazilian Expeditionary Force, and the forthcoming economic talks. I met also on several occasions with the Soviet Ambassador and with the Chinese Ambassador in order to keep them informed of the course of our discussions. In addition, I met with representatives of all the Governments-in-Exile at their request and with numerous American diplomatic, military and civilian officials.

Dr. Isaiah Bowman gave the greatest part of his attention in London to post-war matters, particularly the world security organization, the world court, and colonial problems. Mr. John L. Pratt concentrated on problems of war supply and British planning for post-war reconstruction and reconversion. Mr. Wallace Murray discussed with members of the Foreign Office a large number of current Near Eastern and African topics. Mr. H. Freeman Matthews, who accompanied me on many of my talks with senior members of the British Government, carried on conversations also with members of the Foreign Office on European matters. Mr. Robert Lynch discussed administrative affairs, both at the Foreign Office and at our two Embassies in London.

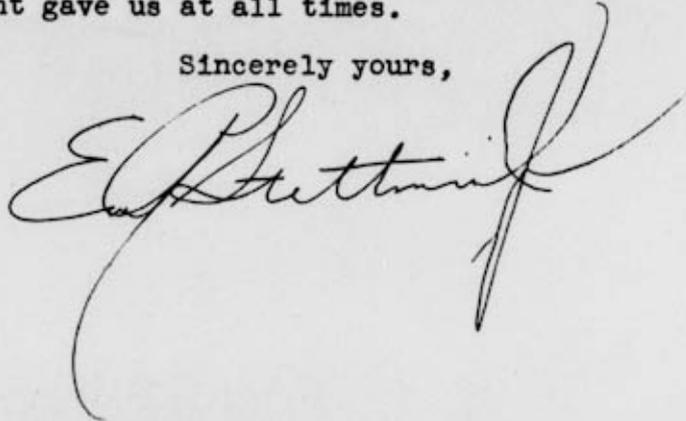
As the result of our conversations in London, we are more deeply convinced than ever that the United States must play an aggressive role in the creation of the international machinery necessary to ensure world security and economic stability. It is clear that the British attach great importance to the active participation of the United States in the world problems of the post-war era. We feel that in order to ensure our participation they will go far toward meeting our wishes on the form and character of the machinery for international cooperation. In the field of international security, British thinking is already very similar to our own, and we are convinced that when formal negotiations begin, we and the British will find ourselves in substantial agreement.

In the meanwhile, we urge that the most careful attention be given to the workings of the inter-allied bodies already functioning and to the preparation for those which it may be necessary to create in the near

future. Much of our attention in London was devoted to the European Advisory Commission, to the civil affairs planning of SHAEF and to European control machinery which it may be necessary to set up as surrender becomes imminent, to the President's proposal for a United Nations economic "steering committee", to the proposed interim shipping commission, and to other United Nations bodies. It is vital that these United Nations groups work as efficiently and as fruitfully as possible, for it is there that the spirit of cooperation and mutual confidence is being formed which will be indispensable to successful international cooperation in the post-war era.

In conclusion, may I take this means of expressing again the deep appreciation of myself and the other members for the privilege of having been able to undertake this Mission for you and for the splendid support and cooperation which you and the other officials of the State Department gave us at all times.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "E. R. Stettin". The signature is written in dark ink and is positioned below the typed name "Sincerely yours,".

THE MISSION TO LONDON

Edward R. Stettinius, Jr., Under Secretary of State
Dr. Isaiah Bowman, Vice Chairman, Advisory Council on
Post-War Foreign Policy, Department of State
John L. Pratt, Consultant on Commercial Affairs, De-
partment of State
Wallace Murray, Director of the Office of Near East-
ern and African Affairs, Department of State
H. Freeman Matthews, Deputy Director of the Office of
European Affairs.

Robert J. Lynch, Special Assistant to the Under Sec-
retary and Executive Secretary to the Mission

Louis J. Hector, Assistant to the Under Secretary

The members of the Mission left the United States on March 30th, 1944 and arrived in London on April 7th. Conversations were carried on until April 29th with members of the British Government, with officials of other Allied Governments, and with United States diplomatic, military and civilian officials. The members of the Mission left London on April 29th and reached Washington on May 4th, spending two days en route in conferences with Ambassador Averell Harriman and Ambassador Robert Murphy at Marrakech, French Morocco.

CONTENTS

A complete list of the conversations carried on in London by the Mission will be found at the end of the Report. The most important topics discussed in these conversations are summarized under the following headings:

	Page
I. <u>Current Political Topics</u>	
1. European Advisory Commission	1
2. Occupation of Germany--Long term implications	4
3. Food Relief for Occupied Europe	5
4. France	6
5. Russia	9
6. Portuguese Wolfram	12
7. Argentina	13
8. Brazilian Expeditionary Force	14
9. The Governments-in-Exile	15
II. <u>Post War Topics</u>	
1. World Organization	17
2. World Court	21
3. Colonial Policy	23
4. Arctic and Anarctic	26
III. <u>Economic Topics</u>	
1. Economic Advisers to SHAEF	27
2. United Nations Economic Discus- sions	28
3. Cartels	29
4. Shipping	30
5. British Post War Reconstruction	31
6. British Reconversion and Disposal of Surplus War Materials	33
IV. <u>Middle East Topics</u>	
1. Palestine	34
2. Bahrein	35
3. Iran	36
4. Saudi Arabia	37
5. Middle East Supply Center	38
V. <u>List of Conversations</u>	39

I

CURRENT POLITICAL TOPICS

EUROPEAN ADVISORY COMMISSION

British officials and Mr. Eden in particular, were most eager to raise with the Mission various questions concerning the European Advisory Commission.

Scope of Reference of the E.A.C.

As the Department is aware, the British, since the Commission's inception, have ascribed to it a much broader field of endeavor than we have. They stated to us that under its terms of reference the E.A.C. should concern itself with the whole short-term clearing up of Europe after cessation of hostilities, i.e., as distinguished from long-term peace and security arrangements which should be left to the world security organization.

The British admitted that under their conception the E.A.C. might grow into the instrument for governing the control machinery of Europe. They envisage it, indeed, as becoming the focus for Tri-Partite forward planning in both the pre-surrender and post-hostilities periods, particularly the latter.

The British laid great store on their interpretation of the Moscow Conference decision to refer to the E.A.C. the British paper on policy toward liberated areas. Mr. Eden insisted it was not merely this specific document--which the British no longer wish to present--that was referred to the E.A.C., but rather that all questions affecting liberated areas were to come before the E.A.C. We stated that this interpretation differed materially from ours, and further, that our military authorities are definitely opposed to having matters come before the Commission which concern military planning and operations because of the possible delays involved. We said that the Anglo-Norwegian Agreement, covering primarily the pre-surrender period, fell in this category.

As one of the principal British arguments in support of their conception of the E.A.C., the British dwelt on the importance of obtaining Russia's wholehearted support of cooperative action in the solution of European problems. They insisted that the only existing machinery for consulting Russia is the E.A.C. and, in support of this, cited Russian requests to the British that the Anglo-Norwegian Agreement and the French Civil Affairs directive should be considered by the E.A.C. We pointed out to the British that the

Russians had declined so far to consider any other questions until agreement is reached on the proposed surrender terms for Germany. The British seemed to feel that since the Russians themselves had now proposed several other questions for clearance through the E.A.C., they would probably not insist upon this position.

While we were still in London, the Russians presented their Civil Affairs Agreement with Czechoslovakia to the British Foreign Office and to the Department for comment without suggesting reference to the E.A.C. This had a moderating effect upon the British position and they dropped their insistence that such documents should be cleared through the E.A.C.

We endeavored in all conversations to correct the British feeling that there is a desire on the Department's part to belittle the Commission or to underestimate the value of its functions. We emphasized the complexity, size and importance of the problems affecting the future treatment of Germany and the satellite countries and said that we doubted whether the Commission could, as a practical matter, handle other problems at the present time. Sir William Strang in private conversation admitted that the E.A.C. would have its hands full for some time to come with the problems affecting enemy countries already scheduled for consideration.

Progress on Surrender Terms

We and the British were equally insistent that time did not permit of further delays in reaching agreement on surrender terms for Germany and beginning consideration of the other questions concerning the subsequent treatment and control of Germany.

As to the lack of progress thus far in disposing of the surrender terms, various causes emerged. The original delay was caused by the failure for some weeks of the Russian Ambassador to receive instructions on surrender terms. The subsequent delay resulted from confusion in Ambassador Winant's mind as to the degree of latitude he had to negotiate agreements not strictly in accord with the letter of the documents furnished him. As a result of our visit and that of General Wickersham, his Military Advisor, to Washington, we believe that Mr. Winant now realizes the importance attached to expediting the Commission's work and understands that we expect him to negotiate, on the general basis of the documents furnished, the best agreements possible for submission to the three governments.

During our stay Mr. Winant informally submitted a new draft of the surrender terms to his British and Russian colleagues. In substance it is apparently acceptable to the British, and it goes a long way to meet the Russian point of view. When we left, Ambassador Gousev was daily expecting Moscow's comment on this draft and all seemed hopeful that agreement could soon be reached.

As the E.A.C. passes from surrender terms to directives and proclamations for the Allied commanders and then to control machinery for Germany, Ambassador Winant will need an increase in his Commission staff. This is particularly true in the economic field. Sir William Strang can and does call upon the whole British Government for technical assistance. If Mr. Winant is to have the technical assistance he will require in presenting the American view, he must have on his staff persons capable of advising him on the economic problems which will come before the Commission.

Recommendations

1) We recommend that careful attention be given Mr. Winant's personnel requirements. The Department should begin at once to consider personnel choices for the expanded staff Mr. Winant will need as soon as the detailed control machinery and occupation arrangements come under discussion.

2) In order that Mr. Winant may have the full benefit of this Government's current views on problems under consideration by the E.A.C., it would seem desirable that officers in the Department who have participated in the formulation of these views make brief visits to London from time to time in order to assist the American representative on E.A.C. in understanding our Government's approach and the factors behind it.

3) The Department should give careful consideration to the possible scope of the work of the E.A.C. during the interim period between the surrender of Germany and the final settlements, and to the relations between the E.A.C. and the military during that period. If the E.A.C. does, in fact, become the control machinery for Europe during this interim period, we must be prepared with the necessary personnel and machinery for American participation. If it is decided by the State Department that the E.A.C. should not assume these post-surrender control functions, immediate consideration should be given to alternative machinery since this may have to be set up with considerable speed.

OCCUPATION OF GERMANY -- LONG-TERM IMPLICATIONS

General Eisenhower and General Bedell Smith stated to members of the Mission their conviction that there should be a single Anglo-American zone of occupation in Germany instead of two separate zones. The issue had been raised by them through military channels but no reply had been received. They asked that the matter be discussed with the President and with the Secretary.

It is General Eisenhower's belief that it would be a very difficult task to separate the combined Anglo-American invasion force so as to create two distinct occupation forces. Moreover, he pointed out that the supply for the combined force is based on an intricate system of Combined Boards and pooled supplies which would be very difficult to disentangle in order to create two different supply systems for two separate zones of occupation.

The character of the zones of occupation in Germany must be considered, however, from the long-range political viewpoint as well as the immediate military viewpoint. Great Britain, because of her geographical position, will inevitably desire to play a more active role than will the United States in continental affairs, particularly French affairs. If the American occupation forces are integrated with the British forces in a single Anglo-American zone, we may be put in the position of seeming to back up all of Britain's post-war European policies. On the other hand, the creation of two separate zones will give the Germans wider scope for playing off one occupying power against another. These are only two examples of the various long-range aspects of the problem which must be given careful consideration.

Recommendation

We suggest that this is a problem of great urgency, since military planning for the zones of occupation must get under way immediately. We recommend that the Secretary call a meeting in the very near future, to include the Under Secretary, Dr. Bowman, Mr. Dunn, Mr. Matthews and such other officers of the Department as may seem appropriate, and that the views of the Department be promptly embodied in a memorandum to the President.

FOOD RELIEF FOR OCCUPIED EUROPE

The Prime Minister stated that he objected strongly to any relief shipments of food to the occupied countries of Europe because of the danger of security leaks concerning the coming operations. He said that he is interested in the providing of relief, but that he feels we must take no chances whatsoever of jeopardizing the success of our military operations.

Mr. Eden stated that it was hopeless to raise the food relief question again with the War Cabinet. He said that they had taken a firm position that the best thing for the people in the occupied areas is to turn those areas into liberated areas as soon as possible and that any food relief plans must be turned down for operational and security reasons. This whole question is tied up, of course, with Britain's historical dependence on blockade as a principal weapon of war.

The Under-Secretary told Mr. Eden that it is very important from the American political point of view to open negotiations promptly with Germany, through Switzerland or Sweden, on the subject of food relief. Mr. Eden felt that his Government would never agree to such action.

FRANCE

Status of Directive to General Eisenhower

Upon arrival in England we found that the President's proposed directive of March 3rd, 1944 to General Eisenhower on the administration of civil affairs in France was still on the Prime Minister's desk. The Prime Minister took the position that he did not want to "bother the President" at this time, and he was apparently unwilling to authorize acceptance of the directive or even its discussion in the Combined Civil Affairs Committee.

Following our arrival, we made every effort with the Prime Minister, Mr. Eden, Mr. Cadogan and other Foreign Office officials to have action on the directive expedited. We explained at length that in practice General Eisenhower would deal with the French Committee in all his pre-invasion planning and to the extent that it proved possible after landing in France. We made it clear that neither the Department nor General Eisenhower has any intention of encouraging any rival group which may emerge in France, but that we did feel General Eisenhower's hands should not be tied to the extent of forcing him to maintain the Committee with American bayonets should it prove unacceptable to the French people.

The British were delighted with the Secretary's speech of April 9th and particularly his references to France. They felt, however, that there were elements in the speech incompatible with the President's directive. We consistently explained that there was no divergence and pointed out that the Secretary's speech had received the President's prior approval.

Mr. Eden insisted that his statement in Parliament on September 22nd last made it "embarrassing" for him to accept the President's directive unless it were amended so as to make General Eisenhower's dealings with the Committee mandatory, i.e. "may" changed to "should" in Article II, paragraph 3 of the directive. Subsequent reading of Mr. Eden's statement, however, does not reveal to us any real basis for such embarrassment.

During our stay in England, it developed that as action on the President's directive was not to be immediately forthcoming, the time element compelled General Eisenhower to initiate informal discussions with the French Military Mission

in London under General Koenig, with a view to reaching working agreements. General Eisenhower at the same time requested approval of this procedure from the Combined Chiefs of Staff. He feels, however, that, while this arrangement is a satisfactory stop-gap, he must eventually have some formal directive.

Mr. Churchill stated in his last visit with the Under-Secretary that he had devised a "formula" on the French directive. He would say in the House of Commons that the British Government's position was identical with that outlined in the Secretary's speech and that General Eisenhower and his staff were already in informal conversations with "a French general". If asked about the directive, Mr. Churchill would say that it was a private matter between the two Governments concerning the prosecution of the war and not the concern of Parliament or the Press. He thought this formula would meet the situation in England, and he did not propose to communicate further with the President on the directive. (This is apparently the basis of Mr. Eden's statement of May 2.)

The Under-Secretary made it clear to the Prime Minister that while the present informal conversations provided a satisfactory "tentative" basis for working agreements with the French Committee, but that General Eisenhower must have some definite directive from the Combined Chiefs of Staff on which to base his policies.

Basis of British Policy Toward French Directive

We believe that the British reluctance to accept the President's proposed directive stems from three causes:

1) The policy of the British Government has always been to give the French Committee the fullest possible support, and we believe that it is prepared to continue this support to the utmost once the invasion starts. It does not therefore wish to place on record with its stamp of approval any document which might, some time in the future, be taken to imply that the British contemplated dealing under any circumstances with some group or element other than the Committee.

2) It is contrary to the conception of the British system of government to permit important political decisions to be taken by a military commander. Such decisions are the functions of the Foreign Office with the prior approval, in important cases, of the War Cabinet. The British consider that relations with the French authorities of a non-operational character are primarily political in nature,

particularly the decision as to the authority with whom to deal. They would be unwilling to grant discretion to a British supreme commander in such a matter, and they are naturally far less willing to grant this authority to an American supreme commander, however much confidence they may have in him.

3) There is much suspicion on the part of the British that after we get into France a "deal" may be made similar to the arrangements which were entered into with Admiral Darlan at the time of our landing in North Africa, the memory of which is still vivid in England. The British have never more than grudgingly admitted that however unfortunate the Darlan arrangements may have been from the political point of view, they nonetheless saved many lives and helped materially to shorten the African campaign. They fear that for strictly military reasons General Eisenhower may again take some action under the President's flexible directive which might run counter to their determination to give full and undivided support to the French Committee of National Liberation.

The difference in British and American thinking with regard to the immediate situation we will find in France was brought out clearly during our stay. Whereas we consider that as France is liberated a period of some confusion, disorders and even a limited blood bath are possible, the British attitude is one of convinced optimism. They not only hope, but believe, that the entire country will rally to the support of General de Gaulle and the Committee, and will accept their dictates without question. They state that they do not plan to recognize de Gaulle and the Committee as a provisional government until they are reestablished in Metropolitan France. It is clear, however, that the British will do everything possible to encourage support of the Committee and discourage opposition to it and that full recognition will probably not be long delayed once the Committee or certain members thereof have arrived on the mainland of France.

RUSSIA

British and American Policy Toward Russia

The British are determined to work in all ways for continued Russian cooperation with the Western Allies after the conclusion of hostilities. This is one of the cornerstones of present British policy. Given the background of Russian isolation and suspicion over the past quarter century -- not to mention traditional Anglo-Russian rivalry -- the British believe that the road will be long, slow and painful. But they feel -- with occasional doubts -- that the chances of ultimate success are favorable. They believe that the maximum of patience will be called for in the face of the inevitable setbacks and sudden incomprehensible Russian moves.

The British seemed curiously unaware of the fact that American relations with Russia are at present enjoying less friction than their own. They even seem to fear that we will exercise less patience with Russia than they. We assured the British that the Secretary is well aware of all the pitfalls that may confront us and of the patience which will be required if the habit of Russian consultation and cooperation with the Western world is to be gradually evolved. We emphasized that the outlook for a post-war world without such prospect of Russian partnership would indeed be grim.

On this fundamental objective of Russian cooperation there seems to be no difference in British or American viewpoint; on the means of bringing the policy to fruition there may, of course, be differences in approach. We explained to the British the greater difficulties which we face with public opinion in this country and mentioned the disillusionment on the part of some Americans which followed the Polish affair, the Pravda peace feeler story, and the Badoglio recognition incident. We pointed out that the Secretary has taken every opportunity both in Washington and through our Ambassador at Moscow to emphasize how American public opinion fails to understand any unilateral course of action on Russia's part and the need for working through mutual consultation and agreement. The British expressed full agreement with the wisdom of this policy and felt that it is already having results, notably in the "moderate" Russian Terms to Finland and more recently in the Russian consultation with the British and ourselves on surrender terms for Rumania and the Czech civil affairs agreement.

Russian Treatment of Germany

The British are convinced that the Russians will be decidedly "tough" with Germany after the termination of hostilities. They believe that the cornerstone of future Russian policy is to prevent Germany ever being again in a position to threaten the peace. They feel that any argument that a stable peaceful Europe requires a prosperous stable Germany will fall on decidedly deaf Russian ears. In fact, the British Foreign Office thought that one element in Russia's offer of German territory up to the Oder to a friendly Poland is the belief that in thus giving the Poles a sizeable German minority problem, any possibility of a German-Polish alliance will be prevented. The British believe that Russia will maintain its determination to keep Germany weak long after the British and ourselves have fallen into forgiveness and forgetfulness.

Russian-Polish Relations

The British feel that there is nothing that can usefully be done at the moment with regard to Russian-Polish relations. They were encouraged in varying degrees by Polish reports -- which they appeared to accept at face value -- that the Polish underground has working arrangements with Russian military commanders on the spot. The British believe that the Russians have discovered that the Polish underground has some real military value, that it is loyal to the Polish Government in London and that failure to obtain its cooperation might hamper Russian military operations. The British seem to feel that if cooperation on the spot between the Polish underground and the Russian armies works well, a Polish Government with substantial popular support may gradually arise in Poland.

In spite of reiterated Russian hostility to the Polish Government-in-Exile, the British have not abandoned hope that perhaps Mikolajczyk and one or two others might be brought into an administration set up locally in Poland. They admitted that this for the moment is pure speculation, but they are not inclined to accept Russian denials of cooperation with the Polish underground at face value.

Post-War Relations with Russia

We endeavored to learn whether there is any substantial body of opinion in England which believes that at some future time a stronger Germany may be necessary as a bulwark against the East and whether thinking in this direction has affected British policy. It was admitted that there exists and always has existed a minority fringe of people on the extreme Right

who believe that Bolshevism is the real menace to Europe and that such people might argue for a strong Germany after the war. The vast majority of the British, however, so far as we could ascertain, are not thinking along these lines but are hoping and expecting -- with occasional qualms -- that Russian cooperation with the Western Allies will extend into the post-war future.

British officials do not believe that there are any tangible signs, in spite of the Polish question, that Russian policy as decided upon at Moscow and Tehran has undergone any fundamental change in the direction of isolation. They believe that Russian needs for reconstruction and rehabilitation and her natural desire to raise the standard of living of her war-stricken people will prevent Russian nationalism from going to extremes for some time after the war. They say, however, that this factor should not be exaggerated. They likewise believe with us that the fatigue factor is important and works in favor of cooperation with the West. It would be dangerous for the Soviet Government to strain the Russian people further by depicting another period of struggle against Western capitalist powers. This reluctance to confront his people with another period of tightened belts and preparation for another threat of war will constitute an important element, the British feel, making for Stalin's cooperation in a world security organization.

PORTUGUESE WOLFRAM

Mr. Eden gave his assurances that the British would take a position on Portuguese wolfram comparable to that which is finally worked out with regard to Spanish wolfram. They feel themselves in a difficult position, however, to impose severe blockade sanctions before July 1, 1944, because of the supply commitments in their agreement with Portugal concerning the use of the Azores bases. The British implied, however, that the United States is under no such disability and that they would support such action on our part should it become necessary. As to the Anglo-Portuguese alliance, the British are apparently not prepared to consider denouncing it if Portugal does not meet our wishes.

ARGENTINA

Both the Prime Minister and Mr. Eden gave their firm assurances that Britain would support any position which the United States finds it necessary to take with regard to Argentina, provided only that the problem of meat and other critical imports from Argentina can be solved. The British are quite aware of the danger of a South American bloc hostile to Britain and the United States being formed around an intransigent Argentina, and they realize the necessity for firm joint action to prevent this.

BRAZILIAN EXPEDITIONARY FORCE

Prime Minister Churchill stated on April 15th with great directness that he felt it would be a serious error to permit more than a token force or "a brigade" to be sent overseas from Brazil at this time, and that this force should be assigned to the Mediterranean theater because of similar climatic conditions there.

After receipt of ESDEL 22 on April 16th, the Under Secretary impressed upon the Prime Minister and Mr. Eden the political importance both within Brazil and from the standpoint of her prestige as an ally of avoiding any further delay in the embarkation of the B.E.F. Mr. Eden promised the Under Secretary on April 24th that he would review the matter with the War Cabinet. He himself was favorably inclined and seemed hopeful that the Prime Minister and the War Cabinet would grant the necessary approval. We understand that the necessary British approval has now been forthcoming.

THE GOVERNMENTS-IN-EXILE

American Diplomatic Representation

Many of the representatives of the Governments-in-Exile in London expressed genuine concern over the fact that an American diplomatic representative with the rank of Ambassador has not been appointed to them. This was particularly true of the Norwegians who explained that this was resented in Norway and that it had served to create doubts about the friendship of the United States for Norway. Mr. Trygve Lie, Norwegian Minister of Foreign Affairs, stated that the change in Mr. Biddle's status from an Ambassador to a Lieutenant Colonel has created fears that the United States intends to deal with Norway through some military organization such as AMGOT rather than through diplomatic channels.

Participation in Work of E.A.C.

Representatives of the Exiled Governments were also much concerned over the fact that they have not been consulted about the surrender terms for Germany. Dr. E. N. van Kleffens, Netherlands Minister for Foreign Affairs, stated, for instance, that there are certain questions involved in the German surrender terms with which the Netherlands Government is vitally concerned, but, that as things stand now it has had no opportunity to make its views known or to find out what decisions are being reached by the European Advisory Commission.

Refund of Currency made Available for Pay of United States Troops.

The Belgian and Dutch Finance Ministers stated to the Under Secretary their great concern over the position taken by the United States Treasury that currency made available by Western European countries for pay of United States troops might not be reimbursed by the United States. They feel that the Reciprocal Aid Agreements settled this point in clear unmistakable language, and they cannot understand why we are now proposing a different arrangement, particularly in the light of the fact that we pay dollars for the sterling used to pay our troops in Britain. The Belgian Finance Minister pointed out also that the British had agreed to pay in sterling for the Belgian currency made available to the British Army.

Recommendations

1) We recommend that a single Ambassador be appointed for all the Governments-in-Exile in London to fill the post left vacant by Mr. Biddle. Although Governments such as the Norwegian Government obviously feel entitled to a full-time Ambassador appointed to their country alone, they seem to appreciate the embarrassment which might result from appointment of ambassadors to each of the Exiled Governments in the event that the authority of some of these governments is challenged after the liberation of their homelands. The possibility of such embarrassment is greatly reduced, of course, by the device of having one ambassador for all the Governments-in-Exile.

2) We recommend that the question of the refunding of currency made available for payment of American troops be reopened with the Treasury. Whatever the merits or demerits of the original determination to exclude payment of troops from Reverse Lend-Lease, this policy was definitely embodied in the Reciprocal Aid Agreements and we feel from our conversations in London that what they regard as our sudden decision to abandon this policy has left a very unfortunate impression with the Governments-in-Exile.

II

POST-WAR TOPICS

WORLD ORGANIZATION

There were frank and detailed comments by British officials, including the Prime Minister, Foreign Secretary Eden, Under-Secretary Sir Alexander Cadogan and others, on the world security organization. In general, British thinking on this subject seems very similar to our own.

The following points from the discussions on world security seem to us the most important from the point of view of future preparatory study and discussion within the Department.

The Executive Council

In order to provide larger representation for small states, the composition of the Executive Council is more broadly conceived by the British than by our Government. They feel that the experience of the League Council demonstrates that the small states do not combine against the large states at critical times or on critical issues. Only by increasing representation of small states, they believe, can we avoid two dangers: 1) The small states will claim that the Great Powers, possessing overwhelming military power, are ruling the world arbitrarily and by force; 2) The small representation of small states in the Council may tend to force the discussion of questions of security into the general assembly and to this the Prime Minister has expressed most emphatic opposition since he believes that futile debates would be the result.

The chief functions of the Executive Council as conceived by the British are:

- 1) The prompt exercise of force, if necessary, in the interest of security.
- 2) To harmonize policies and conciliate powers and regions.
- 3) To refer to regional councils certain questions for recommendation and report, if not for action. The example was given of the Flemish question as a type of question which could be referred to a possible European council for study and report instead of being taken up in either the assembly or the executive council of the world organization.

In order further to avoid the charge of arbitrary action by the Great Powers, some British officials have been considering the possibility of a "Defense Committee" of the Executive Council to assist the Council in dealing directly and swiftly with security issues. Such a Defense Committee would be advisory only. It would be in effect a subcommittee of the Executive Council, to receive the reports of the Combined Chiefs of Staff and make a preliminary study of them.

Regional Councils

With respect to the need for a World Organization, there is no difference of opinion between the Prime Minister and his Government. The form of it, however, is very much in question. The Prime Minister's view stems from his belief in the need for the decisive exercise of power in order to keep the post-war world on an even keel. He doubts the wisdom of reestablishing a World Organization on vague general lines, preferring to make more precise the several fields of responsibility.

Regional councils for security are to the Prime Minister a primary objective. He would have three principal ones in the world: a Western Hemisphere council, a European council, and an Asiatic council. His Foreign Office and his experts generally would put the weight of world security upon the World Organization rather than upon regional councils. In conversation it was clear that Mr. Churchill has not thought out the operations and complexities of regional councils. For example, he would resolve interregional disputes by appointing a commission under the Executive Council. This seems to us a weak setup for a highly important dispute that might shake world security.

International Military Bases

Military bases under international authority seem necessary to the British, but they feel that they cannot be distributed throughout the world in great numbers. In our conversations, reference was made repeatedly to Pantelleria, the Marquesas Islands, New Caledonia, Truk, Singapore, the Caribbean Islands, Dakar and Madagascar, and one or two of the Japanese Mandated Islands to be selected for this purpose. From these examples, we have the impression that the British stand somewhat midway between the position of our military advisers at Washington, who incline toward few bases, and the position of those who desire many widely distributed bases.

Mr. Churchill repeatedly emphasized the need for international funds to support international bases, even under a trusteeship arrangement. He believes that in this way the United Nations will learn how expensive it is to maintain a security system such as the British have maintained in the past through national bases under Empire organization.

International Military Force

The use of military contingents with a distinctive insignia for international security is much in the Prime Minister's mind. He seems somewhat theoretical and imaginative in his treatment of this aspect of the matter rather than soundly convinced himself of its feasibility. His officials in the Foreign Office and the study group associated with it do not share his enthusiasm, although they are willing to examine the question impartially.

Regulation of Armaments

The regulation of armaments is believed possible by the British only through positive action. Negative prohibitions will get us nowhere, they feel, in view of the probably Russian position that inspection, or indeed any implication of outside control, is unacceptable.

Positive action offers a fairly wide field for consideration, the British feel. The standardization of arms with uniform calibre might be discussed, for instance, although the wartime problems arising from this question as between just the British and Americans warn of difficulties in this regard. The large states, of course, will have the problem of preventing excess armaments by small states. The airplane introduces an element of special difficulty. We cannot stop aeronautical experimentation and it will be difficult to agree on standards of construction and operation, since the needs of various countries differ as to the type of plane and the type of services required.

Mandated Territories

The disposal of the Mandated Territories of 1919 was discussed apart from the colonial question. The legal position of the Mandates is a troublesome question which may or may not need to be resolved before the World Organization is set up with a section in it to deal with dependent peoples.

Since France as a nation is not in being at the moment, we cannot ask her to subscribe to a decision respecting the Mandated Territories. Only preliminary work on the legal

aspects would seem to be useful now. Afterward the Mandated Territories can be treated in one of several ways: they can become parts of the general problem of dependent peoples, or they can form a part of a general system with a special status, or, theoretically at least, they can be treated separately and in an individual manner, depending upon the nature of the problems in each. Whatever solution is worked out, account must be taken of improvements, invested capital, etc., which form a part of the between-wars period of British and French administration. The legal questions involved are complicated and novel. Presumably the title of these territories reverts to the Allied and Associated Powers. A mandates have been largely settled or are in process of settlement. Iraq has become independent; Syria and Lebanon have been promised independence after the war; and Palestine must under any circumstances have special treatment. B mandates are not yet ready for self-government. C mandates are largely under the sovereignty of the Dominions who would have to be consulted about them.

WORLD COURT

Discussion of a World Court, from the British point of view, begins with consideration of the "Report of the Informal Inter-Allied Committee on the Future of the Permanent Court of International Justice" of February 10, 1944. It is the work of a committee of experts formed early in 1943, whose members were chosen from eleven different countries. The Chairman was Sir William Malkin.

It is our understanding that this report is now under consideration in the Office of the Legal Adviser of the Department of State. Sir William Malkin expressed the hope that comment from the Department upon the above report would be received by him at an early date.

So far as Sir William Malkin represents his Government, it is important to realize that he is apparently ready to accept within reason whatever plan of a World Court the Government of the United States finds "politically feasible". He considers representation by the United States on the Court and in the preliminaries of organization as vital to its success.

Sir William stated that in his view the value of the Court's work lies in enlarging the cooperating machinery and habits of the world. He recognizes that the cases brought before the Court in the twenty years between world wars do not represent the real causes of wars, which lie in the political and economic fields. Yet there is a great need for a Court in order to fasten the attention of the world upon the possibilities of international law. Conciliation and arbitration have their due place, but they do not represent consistent views on international behavior except in so far as they enlarge the hope of using machinery other than war for the settlement of disputes.

Sir William Malkin considers it desirable to limit the work of the World Court to justiciable disputes and advisory opinions. It cannot take up political disputes. On the question of universal jurisdiction there is considerable doubt. I gather that this is considered a more remote object in the development of world political thinking than the actual constitution and operation of the Court in the near future.

Sir William said that he realized the desirability of employing new terms in setting up the new World Organization,

since League memories are not altogether happy ones. Moreover, some of the powers that withdrew from the League, in order to save face, desire to have the Court's name changed and its functions redefined. For these reasons, the Report of the Inter-Allied Committee states that the existing connection between the Court and the League of Nations should be discontinued and should not be replaced by an organic connection with any new international organization in the sense of being established by an article of such organization.

A novel element introduced into the Report is presented in Chapter XI, "Regional Chambers". It is especially designed to attract non-European countries to a system of international law and a World Court to interpret it. It is recognized that there is a danger in decentralization in that doubt may be cast on the legal merits or finality of the decisions given. To meet this doubt ingenious plans are proposed for securing prior assent to the selection of judges for the Regional Court by agreement between the parties or by nomination of the Court. This would secure "uniformity of jurisprudence and a coherent and self-consistent Court".

Judges of different types of mind and methods of legal thought will almost inevitably be represented by the principal countries adhering to the Court. No specific attempt should be made to represent particular legal systems. Sir William emphasized the fact that the decisions of the Court at The Hague over twenty years showed that no fundamental difficulty arose because participants in an action came from different legal systems.

Sir William thought that the Court should continue to sit at The Hague.

Both Sir William and Professor Webster remarked that they did not want to emphasize the World Court at the present time if it diverted attention from an over-all World Organization whose primary object was security.

Recommendation

Since it appears that the British are willing at the present time to follow our lead in the organization of the World Court, it is vital that our views be formulated and made known to them as quickly as may be possible. We recommend that this subject be considered by the Committee on Post-War Programs in the near future.

COLONIAL POLICY

We were able to discuss the colonial question with practically the whole of the upper Foreign Office staff. There was also the opportunity of discussing it with Prime Minister Churchill, Foreign Secretary Eden, and a study group attached to the Foreign Office.

British Attitude Toward United States Statements on Colonial Policy

In exchanges between our Government and the British Government during the past year and a half, we have presented for British consideration a set of principles for the guidance of the United Nations in the administration of dependent peoples. These principles are cast in the most general form, and emphasis was at first upon "independence", later changed to "self-government". It is the British view that these statements are vague and impractical. They claim that the diversities of life and environment among dependent peoples are so great that it is not possible to make any real improvement in the relations of such peoples to the metropole by setting up what they feel is a vague set of general ideals.

In one of the replies of the British Government, an Aide-Memoire dated May 26, 1943, the point is made that a definite time table to be followed in giving an independent status to colonial peoples is an impossible goal. One cannot say in advance when the processes of education will enable a given people to exercise self-government. This point was expanded in our conversations. Self-governing people, the British feel, are developed as a result of trial and error. To put all dependent peoples under a general set of principles is to pretend that all may be treated alike. Moreover, an enduring security system is not achieved by multiplying completely independent and small political entities all over the world.

United Nations Supervision of Dependent Areas

The line of approach used in our conversations with the British was the need for settling specific difficult questions, such as Italian Somaliland, Libya, the Japanese Mandated Islands, and the possible location of military bases on French possessions such as New Caledonia, Marquesas Islands, Madagascar, or French Indo-China.

At the beginning the general attitude of the British officials was cool toward any form of international control, which we presume reflected their disappointment with the previous documents from this Government. We pointed out that we are actually dealing in an international way with dependent peoples, including colonies, when we undertake to form a general security system under which both military bases and economic matters may be agreed upon. In the economic field, we have the standard of living of native peoples being affected by forms of international control of excess production of commercial agriculture in the tropics. This became so clear in the Caribbean region, when war interrupted normal commercial relations, that a Caribbean Advisory Commission had to be set up. We asked if similar commissions could not operate in other regions.

Colonel Stanley's first reaction to this question was not favorable but Dr. Bowman pressed the matter and requested further consideration of various possibilities. At their second meeting, Colonel Stanley thought that Southeastern Asia might well have a regional council for the benefit of dependent peoples there. He thought that a regional council might also operate in the case of the Japanese Mandated Islands, though like all other officials he expressed the hope that the flag of the United States will fly in that region after the war. He also saw valuable results from a regional council in East Africa where Italian Somaliland and Eritrea come into the picture. In the case of West Africa, he thought that a regional council was not desirable, or if one were formed that the United States should not be represented upon it because, speaking frankly, he thought we were not popular there.

We and the British found ourselves much closer in our thinking at the end of our several talks than we could have hoped. The need for entering the French colonial field was obvious to our British colleagues and the argument seems to have been accepted that this hope could be realized and the position of the United States in an international scheme clarified with respect to the Pacific islands, only if Great Britain were willing to have the question of dependent peoples brought into the area of international discussion.

Once we had reached this point the remaining question was: Should we continue to seek agreement on the text of a declaration by Great Britain and the United States with respect to dependent peoples? On this point Colonel Stanley said that the time had passed when such a joint declaration would have any political value either in Great

Britain or, he thought, in the world. But he was willing to take up the suggestion that a section on dependent peoples should appear in the World Organization.

At the end of the conversations, Colonel Stanley summarized under four heads the general situation as he saw it, as follows:

- 1) Any statement of colonial policy should become part of a section on dependent peoples in the structure of world organization and should not be a joint declaration.
- 2) The principle of regional commissions is acceptable to the British if they are not executive in character but are set up to study, recommend, and advise. On them should be represented not only parent nations but nations that have major economic and strategic interests in such areas.
- 3) Local branches of functional world organizations should be linked up to the regional commissions in the fields of health, nutrition, labor, etc. The functional organization would consult on the recommendations of the regional commissions.
- 4) A definite obligation to publish annual reports on each area should be assumed. This should be an obligation on all the colonial powers. Such reports would be sent to a control body where they would be available and interchangeable.

Colonel Stanley was so hopeful of future agreement along the above lines that he said he was willing to place these four points before his associates in the Cabinet. Dr. Bowman told him that he thought consideration on the ministerial level was inappropriate at the present time, if Colonel Stanley were going to refer in such presentation to the position of the Government of the United States. The exchanges in our conversations had been informal and exploratory. On our side it was necessary to put the four points he had mentioned into the stream of discussion in the Department of State, after which Secretary Hull would in due course convey our decision or proposal. Colonel Stanley said that he understood this but that he thought it desirable to consult his associates in the Cabinet in an informal way and try out these four points as the beginning of another chapter in our discussion of dependent peoples.

ARCTIC AND ANTARCTIC

Dr. Bowman inquired if the British Government desired to include Arctic and Antarctic questions in the general settlement following the war. He stated that there were no questions in either region that could not be settled fairly without argument, but that before the situation got tangled by further explorations, such as the Japanese had made in the Antarctic some years ago, we ought to make a final territorial settlement of the conflicting or overlapping claims of the Norwegians, British and Americans.

Instructions were given to a representative of the study group attached to the Foreign Office to look into the Arctic and Antarctic question and advise the Foreign Office on the desirability of undertaking a broad examination of this group of problems with a view to its consideration in the final settlement.

III

ECONOMIC TOPICS

ECONOMIC ADVISERS TO SHAEF

Mr. Philip Reed expressed the opinion to the Under Secretary that on the basis of our experience in North Africa, Sicily and Italy, the responsibility for the integration of American and British economic policies with military planning in the coming European operations should be centralized in SHAEF under the authority of the Supreme Commander. This responsibility should be vested, he feels, in representatives of the respective governments attached to SHAEF as economic advisers to the Supreme Commander.

This proposal was discussed with Ambassador Robert Murphy in Marrakech and he concurs in it. He pointed out that in North Africa it was necessary to set up the North African Economic Board as a staff section of the Allied High Command in order to centralize economic matters and integrate them with military planning, and that the Board constituted a convenient bridge between the economic activities of the operational period and the post-military period. Mr. Murphy pointed out that the problems which will be faced by SHAEF are far more complex than those faced in North Africa. It would be wise, he feels, to develop civilian economic coordination with the military as soon as may be convenient in order to deal both with the short-range and long-range economic problems more effectively.

Recommendation

We do not believe, of course, that economic advisers should be urged on General Eisenhower if he does not feel the need for them. We think it highly desirable, however, that the problem be put before him in the near future. We recommend that an informal letter be addressed to General Eisenhower asking him whether he believes that American and British economic advisers, occupying the same status as the American and British political advisers now attached to SHAEF, would be of value to him in the coming operations.

UNITED NATIONS ECONOMIC DISCUSSIONS

Resumption of Anglo-American Economic Talks

The early resumption of the economic talks was urged on the British in numerous conversations. The officials of the Foreign Office seem willing to proceed promptly with the talks. The Prime Minister, however, feels that he must proceed with great caution in this field. He stated that thorough discussions with the Dominions and further discussions in Parliament are necessary before the British can resume the economic talks. He did state, however, that he recognized that the political situation in the United States may make it necessary to proceed at a faster pace, and he gave his assurances that he would bear this fact in mind.

Once the agreement of the Prime Minister has been obtained, there should be little delay on the British side, since the Foreign Office seems now to feel technically prepared to resume discussions. In fact, Mr. Richard Law stated that he was very anxious that they get under way in May of this year.

United Nations Economic Steering Committee

The failure of the Prime Minister to answer the President's two telegrams of February 23rd, concerning a United Nations steering committee for international economic discussion and the future of the Anglo-American Combined Boards, was pointed out repeatedly in our conversations.

Although this was not stated by the British, it is our belief that they are reluctant to set up a United Nations steering committee for economic discussions until there is already a considerable measure of agreement between Britain and the United States as to the topics to be raised and the countries which are to participate in the discussions. Mr. Eden, however, agreed to take the matter up with the War Cabinet and to secure an answer as quickly as possible. On the last day of our visit, Mr. Eden apologized for the fact that an answer had not yet been formulated and stated that he would communicate with the State Department within the next two weeks.

CARTELS

Cartels had apparently never been recognized as a problem by the British Foreign Office until the economic talks at Washington in October, 1943. British thinking is still far behind ours on the subject. The Foreign Office is concerned with it now, in fact, only because we have taken a position and wish to continue discussions.

Some British officials were willing to admit the evils of cartelization, but they emphasized that the unscrambling process as far as Britain is concerned will be very long and difficult. Their feeling is that we should start on a case by case basis, taking the most flagrant examples first and gradually working toward the abolition of all forms of cartels that can definitely be shown to interfere with international trade.

Other British officials, however, believe that cartels are necessary to protect invested capital and commitments to labor such as stabilized wages and pensions. They feel that we in the United States will have to accept cartels after our economy ceases to expand at such a swift rate.

It is unquestionable that there are both powerful industrial and labor groups in Britain which will support the maintenance of cartels.

Recommendation

1) We recommend that the discussion of cartels with the British be conducted to a greater extent on a case by case basis and that the American representatives be thoroughly briefed on particularly flagrant cartel abuses which the British will not be able to defend.

2) Since the argument is frequently raised that cartels are a necessary machinery for the interchange of technical information, we recommend that studies be made of alternative methods for exchanging technical information which will not involve the restrictive aspects of cartelization.

SHIPPING

Officials of the British Government, almost without exception, are acutely concerned over Britain's place in post-war shipping and the threat of competition from subsidized American shipping. The Prime Minister, Mr. Eden, Lord Leathers and Sir Walter Layton discussed this subject at considerable length in various conversations. The British feel that a large merchant fleet is of great importance to them not only as a direct source of revenue but also as the foundation of their export trade.

Lord Leathers stated that it is expected that he will have a conversation with the President on shipping before any final decisions are reached. It is clear that this subject must be discussed at the highest levels. It will be one of the most difficult of our mutual problems.

Recommendation

We recommend that studies be commenced immediately to determine the advantages of an enlarged merchant fleet to the economy of the United States and disadvantages of such a fleet to the British economy. While strategic considerations must play an important role in any final decision, it is our feeling that the purely commercial aspects should be more thoroughly explored before any position is crystallized.

BRITISH POST-WAR RECONSTRUCTION

Priorities in Post-War Planning

British post-war domestic planning authorities stated to Mr. Pratt that housing has been given first priority of manpower and materials in post-war domestic reconstruction plans. The housing shortage is already a serious problem, and it will become acute, the British feel, when the demobilization of the armed forces begins. Second in the post-war priority scale is the production of civilian goods for domestic use, e.g., clothing, hardware, china, and similar items, which are now almost impossible to obtain.

The British post-war planning authorities stated that they do not see how any substantial volume of goods can be manufactured in Britain for export until these urgent domestic needs have been met.

Notwithstanding that the present British planning gives exports a lower priority than housing and civilian goods, however, we believe that it would be unwise to expect that when final decisions are made, manufacturing for export will not have at least an equal priority with housing and civilian goods.

The Interim Period after European Hostilities Cease

British officials state that it is unlikely that even the urgent housing and civilian goods production jobs can be gotten under way on a large scale in Britain between the end of hostilities in Europe and total demobilization after the Pacific war. The greatest limiting factor in British reconstruction during this interim period will be manpower.

The British General Staff has estimated that after the end of the war in Europe, personnel in the armed forces and munition plants can be reduced by 25 percent. The civilian authorities have asked for a re-examination of this figure, but there is little possibility of more than a 30 percent reduction. Taking into account the retirement of over-age workers and the return of married women to their homes, this reduction will produce only about half a million workers for reconstruction purposes. It is estimated that the housing job alone will take 1,250,000 to 1,500,000 workers. Thus, there will probably be little increase in the production of civilian supplies until the end of the Pacific war.

Termination of Lend-Lease

The British are very concerned over the possibility of a diminution of the volume of Lend-Lease during the period between the end of the European war and the end of the Pacific war. Their import requirements will not decline, since they will need continued food imports and imports of raw materials for a substantial volume of continued war production. The British stated that they see no possibility of increasing their exports to any extent, however, in order to pay for these imports until after the Japanese war is over. They feel that financial assistance of some sort from this country during that period will be necessary.

It was pointed out to the British that whatever the financing arrangements for the period between the end of hostilities in Europe and in the Pacific might be, it is clear that Lend-Lease must draw to a close when general hostilities cease. It is therefore vital that our two Governments begin to plan now for financing arrangements, perhaps in the form of long-term credits, to ensure the continued flow of food and other necessary supplies from this country to Britain without a prolonged transition period of doubt and confusion which would work great hardships on the economies of both countries.

Recommendation

We recommend that studies be commenced on the volume and character of exports from the United States which will probably be necessary to the maintenance of the British economy, 1) in the interim period between the close of hostilities in Europe and the Pacific, and 2) in the immediate post-war period. The relationship of these exports to the Lend-Lease program and the possibility of long-term credit arrangements should also be studied.

BRITISH RECONVERSION AND DISPOSAL OF SURPLUS WAR MATERIALS

It became apparent in discussions by Mr. Pratt on the disposition of war plants and surplus war materials, that these problems have had very little attention at the Ministerial level in Britain and that in general we in the United States are a good deal further ahead in our planning in this regard.

The disposition of Government-financed war plants is a highly controversial political subject in Britain, and the present coalition of government does not wish to raise it at the present time. Mr. Oliver Franks of the Ministry of Supply stated that a policy of short-term leasing of such plants would probably be adopted in order to provide an opportunity for a thorough national discussion of the long-term disposition of them.

The British feel that the only surplus war materials which will be a problem for them will be copper and wool. Mr. Franks estimates that the British Government will have in its possession at the end of the war a four years' supply of each of these commodities. He is also concerned over the world surplus of cotton which may result from the great increase in Brazilian cotton production. It is his feeling that these three products should be controlled by commodity agreements in order to protect the British and American producers by preventing a serious decline in prices.

Sir David Whaley of the Treasury stated that he believes Great Britain will not make again the mistake which was made at the end of the last war of attempting to dispose of surplus war materials too speedily. He stated that there would be no pressure from the Treasury at the end of this war for a hurried disposition of surplus materials and war plants in order to reimburse the Treasury.

IV

MIDDLE EAST TOPICS

PALESTINE

The British Government has undertaken to move to Palestine any Jewish refugees coming from Europe via Turkey and is prepared to cooperate actively in any efforts to rescue refugees which will not redound to the benefit of the Axis.

The British intend, however, to stand firmly on the White Paper policy as regards Jewish immigration into Palestine until the end of the war. There are 27,500 remaining quota numbers, of which only 8,000 are presently earmarked, and the British regard this as ample provision for any foreseeable refugee traffic. Should the number of refugees unexpectedly exceed this provision, they are confident of their ability to provide places of refuge in the Near East, although not necessarily in Palestine itself.

The British do not expect any trouble from either Jews or Arabs in Palestine which they will be unable to handle, unless the local populations should be aroused by a revival of Zionist activity and agitation in the United States. They accordingly hope that we will do anything possible to prevent such development. At the moment the British regard this situation as satisfactory, following the initiative of General Marshall in forestalling the passage of the recent Zionist resolutions in Congress. They therefore regard the present issuance of a joint Anglo-American statement on Palestine as more likely to stir than calm the American Zionists, but desire to consider the matter again should developments necessitate.

AMERICAN CONSULAR REPRESENTATION IN BAHREIN

The British maintained their long-standing refusal to allow an American consul to reside in Bahrein on the basis of their unwillingness to create a precedent which would require similar authorization for Persian, Iraqi, and Saudi Arabian consular officers there and result in endless intrigue and administrative difficulties.

The British, however, in discussions with Mr. Murray made satisfactory concessions to us by agreeing:

- 1) To allow the American Consul at Dahran to include Bahrein in his consular district and pay frequent visits thereto.
- 2) To appoint American constables to act under the authority of the British political agent in matters involving American citizens.
- 3) To appoint American assessors -- a type of juryman who advises the judge under the Indian Code applying to aliens in Bahrein -- to sit with the British Political Agent, in his judicial capacity, in cases involving American citizens.

IRAN

The British affirmed their whole-hearted support of the American advisers to the Iranian Government and agreed to join with us in suggesting to the Soviet Government that conversations should be held in Tehran with a view to implementing more fully the provisions of the Tehran declaration regarding Allied economic assistance for Iran. This suggestion was made to the Soviet Ambassador by Mr. Eden and The Under Secretary on April 25, 1944 and was favorably received.

The British are naturally and understandably concerned with the maintenance of order throughout the Middle East. They therefore proposed that an agreed Anglo-American program of arms supply for Iran be worked out, and that efforts subsequently be made to bring the Soviets into the agreed program. This proposal is being studied in close consultation with the War Department.

SAUDI ARABIA

Paramount British political and strategic interests and paramount United States oil interests in Saudi Arabia were explained and mutually recognized in discussions between Mr. Murray and officials of the Foreign Office. It was agreed that these special interests should not conflict. The British categorically disclaimed any intention to undermine or to prejudice American oil rights in that country and agreed that the larger financial and supply problems of Saudi Arabia should be dealt with as far as possible on the joint basis in consultation between the two Governments. It was felt by representatives of both Governments that:

- 1) Anglo-American discussions in Washington regarding the establishment of a currency and banking system in Iran should be expedited.
- 2) An agreed joint program for the supply of goods to Saudi Arabia should be worked out in Cairo.
- 3) Prompt consideration should be given to the organization of a joint Anglo-American military mission to assist King Ibn Saud in training and establishing a modern Saudi Arabian Army.

MIDDLE EAST SUPPLY CENTER

The British expressed appreciation of the work of Mr. Landis as Director of American Economic Operations in the Middle East. They fully agreed that his efforts to settle controversial matters as soon as they come up will in the long run contribute more to the effective maintenance of good Anglo-American relations than a policy of nursing grudges which might well be publicly and harmfully ventilated later. It was agreed that Mr. Landis, Lord Moyne, and all other British and American representatives in the Middle East should be instructed to arrange local machinery whereby rumors, criticisms and complaints will be raised frankly, jointly examined and disposed of as soon as they arise.

The British were sincerely anxious that American participation in the MESC should be strengthened by the addition of further American personnel.

As regards the future of the Center, it was agreed that the Middle Eastern Governments should if possible be drawn gradually into closer association with the Center so that they may be aided to co-operate with each other and provided with general and technical guidance for dealing with their common social and economic problems and for raising the standard of living and health throughout the Middle East. While it was recognized that the nature of British and American participation must be left for subsequent consideration, it was agreed that the ultimate objective should be the development of an autonomous economic institution serving the peoples of the Middle East and operated and supported by them.

v

LIST OF CONVERSATIONS

List of Conversations

I. The Under-Secretary

BRITISH

King George VI of England.
Rt. Hon. Winston S. Churchill, Prime Minister.
Rt. Hon. Anthony Eden, Secretary of State for Foreign Affairs.
Rt. Hon. Sir John Anderson, Chancellor of the Exchequer.
Mr. F. T. A. Ashton-Gwatkin, Superintendent, Under-Secretary of the Personnel Department.
Sir Clive Baillieu, Chairman of British Federation of Industries.
Dr. N. Baron, World Jewish Congress.
Rt. Hon. Lord Beaverbrook, Lord Privy Seal.
Rt. Hon. Ernest Bevin, Ministry of Labour and National Service.
Hon. R. H. Brand, Ministry of Food.
Sir Edward Bridges, Secretary of the War Cabinet.
Mr. Neville Butler, Counsellor, Minister Plenipotentiary, Foreign Office.
Rt. Hon. R. A. Butler, President, Board of Education.
Rt. Hon. Lord Catto, Governor of the Bank of England.
Hon. Sir Alexander Cadogan, Permanent Under-Secretary of State.
Rt. Hon. Lord Cherwell, Paymaster General, Assistant to Prime Minister.
Sir John Duncanson.
Mr. A. L. Easterman, World Jewish Congress.
Mr. Arthur Guinness, International Chamber of Commerce.
Lt. Gen. Sir Hastings Ismay, Deputy Secretary of the War Cabinet.
Rt. Hon. Lord Keynes, Treasury Chambers.
Rt. Hon. Richard K. Law, Minister of State.
Sir Walter Layton, Chairman of News Chronicle.
Rt. Hon. Lord Leathers, Minister of War Transport.
Rt. Hon. J. J. Lewellin, Minister of Food.
Rt. Hon. Oliver Lyttelton, Minister of Production.
Rt. Hon. Lord McGowan, Chairman of the Board of Directors, Imperial Chemicals Industries.
Sir George Horatio Nelson, President, Federation of British Industries.
Sir Maurice Peterson, Deputy Under-Secretary of State.
Mr. E. W. Playfair, The Treasury.
Rt. Hon. Lord Portal, Minister of Works.

Captain the Lord Reith.
Rt. Hon. Lord Riverdale, Chairman, Capital Steel Works.
Sir William Rootes.
Sir Orme Sargent, Deputy Under-Secretary of State.
Rt. Hon. The Earl of Selborne, Minister of Economic Warfare.
Sir Robert Sinclair, Ministry of Production.
Sir William Strang, British Representative on European Advisory Commission.
Dr. Chiam Weizmann, World Zionist Leader.
Rt. Hon. Lord Woolton, Minister of Reconstruction.

OTHER GOVERNMENTS

Belgium

Mr. Camille Gutt, Belgian Finance Minister.
Mr. Hubert Pierlot, Prime Minister of Belgium.
Mr. P. H. Spaak, Belgian Minister for Foreign Affairs.

Brazilian

Senhor J. J. Moniz de Aragao, Brazilian Ambassador.

China

Dr. Wellington Koo, the Chinese Ambassador.

Czechoslovakia

Dr. Edward Benes, President of Czechoslovakia.
Monsignor Jan Sramek, Prime Minister of Czechoslovakia.
Mr. Jan Mazayk, Minister of Foreign Affairs.
Dr. Hubert Ripka, Czechoslovak Minister of State and Acting Minister for Foreign Affairs.

France

M. Pierre Vienot, Free French representative in London.

Greece

King George of Greece.
M. George Papandreou, Prime Minister and Foreign Minister of Greece.
M. Thanassis Aghnides, Greek Ambassador to London.
M. Kyriacos Varvaressos, Greek Ambassador at Large.
M. George Mantzavinos, Greek Minister of Finance.
M. Spyros Skouras.

Luxembourg

The Grand Duchess of Luxembourg.
Mr. Josef Bech, Luxembourg Minister for Foreign Affairs.

Netherlands

Mr. Van den Broeck, Netherlands Finance Minister.
Dr. P. S. Gerbrandy, Prime Minister of the Netherlands.
Dr. E. N. van Kleffens, Royal Netherlands Minister of Foreign Affairs.

Norway

King Haaken of Norway.
Crown Prince Olaf of Norway.
Mr. Trygve Lie, Norwegian Minister for Foreign Affairs.
Mr. Wilhelm Morgenstjerne, Norwegian Ambassador to Washington.
Mr. Johan Nygaardsvold, Prime Minister of Norway.

Poland

Mr. Stanislaw Mikolajczyk, Prime Minister of Poland.
Mr. Tadeusz Romer, Polish Minister for Foreign Affairs.

USSR

Mr. Feodor Gousev, Soviet Ambassador.

Yugoslavia

Mr. Bozhidar Puritch, Yugoslav Prime Minister.

U.S. DIPLOMATIC AND CIVILIAN

Mr. John G. Winant, Ambassador to Great Britain.
Mr. Howard Bucknell, Jr., Minister-Counselor, American Embassy.
Congressman J. William Fulbright, Chairman, Educational Committee.
Mr. W. J. Gallman, Counselor, Embassy in London.
Mr. Harvey Gibson, Red Cross.
Mr. Archibald MacLeish, Librarian of Congress.
Mr. Lithgow Osborne, Deputy Director of UNRRA.
Mr. Herbert Pell, War Crimes Commission.
Ambassador William Phillips, Civil Affairs Adviser, SHAEF.
Mr. Philip Reed, Ministry for Economic Affairs.
Hon. Winfield R. Riefler, Minister, Board of Economic Warfare.
Mr. Rudolph Schoenfeld, Chargé d'Affaires.
Mr. Robert Sherwood, Office of War Information.

U.S. ARMY

Major General Anderson
Col. Anthony J. D. Biddle, Jr.
Brig. General G. T. Davis
Lt. General James Doolittle.
General Dwight D. Eisenhower.
Brig. Gen. Julius C. Holmes.
Lt. General J. G. H. Lee.
Brigadier General F. S. Ross.
Lt. General W. Bedell Smith.
Lt. General Carl Spaatz.
Lt. Col. George A. Spiegelberg.
Colonel Wallace S. Whittaker.

U.S. NAVY

Admiral Harold R. Stark.
Commander Junius S. Morgan.

II. Dr. Isaiah Bowman

BRITISH

Rt. Hon. Winston S. Churchill, Prime Minister.
Rt. Hon. Anthony Eden, Secretary of State for Foreign Affairs.
Hon. Sir Alexander Cadogan, Permanent Under-Secretary of State.
Mr. H. Ashley Clarke, Acting Counsellor, Foreign Office.
Sir George Gater, Colonial Office.
Mr. H. M. G. Jebb, Counsellor of the Foreign Office, Economic and Reconstruction Department.
Rt. Hon. Richard K. Law, Minister of State.
Sir William Malkin, Legal Advisor, Foreign Office.
Sir Maurice Peterson, Superintending Under-Secretary, Eastern Department.
Professor Lionel Robbins, University of London.
Mr. Nigel B. Ronald, Assistant Under-Secretary of State.
Colonel Oliver Stanley, Colonial Secretary.
Sir William Strang, British Representative on European Advisory Commission.
Mr. A. J. Toynbee, Research Department, Foreign Office.
Mr. J. M. Troutbeck, Sounsellor, Central Department, Foreign Office.
Mr. J. G. Ward, Economic and Reconstruction Department, Foreign Office.
Professor Charles K. Webster, Research Department, Foreign Office.
Sir Alfred Zimmern, Research Department, Foreign Office.

OTHER GOVERNMENTS

Dr. Ivan Pchok, President, National Council of Yugoslavia from Italy.

U.S. DIPLOMATIC AND CIVILIAN

Ambassador John G. Winant, U.S. Ambassador to the Court of St. James.
Mr. Eric Biddle, Bureau of the Budget Representative in London.
Dr. E. F. Penrose, Special Assistant to the Ambassador, American Embassy.
Mr. Lawrence Preuss, American Delegation on War Crimes Commission.

U.S. ARMY AND NAVY

General Bedell Smith, Chief of Staff, GHQ.
Admiral Harold R. Stark, Commander, U.S. Naval Forces in
Europe.

III. Mr. John Lee Pratt

BRITISH

Rt. Hon. Winston S. Churchill, Prime Minister.
Rt. Hon. Sir John Anderson, Chancellor of the Exchequer.
Rt. Hon. Lord Beaverbrook, Lord Privy Seal.
Rt. Hon. Hugh Dalton, President of the Board of Trade.
Professor Dennison, War Cabinet Office.
Rt. Hon. Sir Andrew Rae Duncan, Minister of Supply.
Mr. Enfield, Ministry of Agriculture.
Mr. Oliver Franks, Ministry of Supply.
Rt. Hon. Richard K. Law, Minister of State.
Rt. Hon. Lord Leathers, Minister of War Transport.
Mr. Lee, The Treasury.
Rt. Hon. Oliver Lyttelton, Minister of Production.
Viscount Moore, War Cabinet Offices.
Mr. John Maud, Ministry of Reconstruction.
Rt. Hon. Lord McGowan, Chairman of the Board of Directors,
Imperial Chemical Industries, Ltd.
Lord Riverdale, Chairman, Capital Steel Works.
Dr. Lionel Robbins, University of London.
Mr. Nigel B. Ronald, Foreign Office.
Mr. Steere, Agricultural Attache.
Sir David Whaley, Under-Secretary of the Treasury.
Rt. Hon. Lord Woolton, Ministry of Reconstruction.

U.S. DIPLOMATIC AND CIVILIAN

Ambassador John G. Winant.
Mr. Phillip Reed, Ministry for Economic Affairs.
Dr. Ernest Penrose, UNRRA.
Hon. Winfield R. Riefler, Minister, Board of Economic Warfare.

U.S. ARMY AND NAVY

Admiral Harold R. Stark.
Major General John C. H. Lee, Deputy Theatre Commander ETO &
Commanding General, SOS, ETOUSA.

IV. Mr. Wallace Murray

BRITISH

Rt. Hon. Anthony Eden, Secretary of State for Foreign Affairs.
Rt. Hon. Leopold S. Amery, Secretary of State for India.
Sir Clive Baillieu, Chairman of British Federation of Industries.
Mr. C. W. Baxter, Head, Eastern Department, Foreign Office.
Mr. Neville Butler, Counsellor, Minister Plenipotentiary, Foreign Office.
Mr. H. Ashley Clarke, Acting Counsellor, Foreign Office.
Hon. Sir Alexander Cadogan, Permanent Under-Secretary of State, Foreign Office.
Mr. George L. Clutton, Southern Department, Foreign Office.
Sir Robert Waley-Cohen, Anglo-Jewish Association.
Rt. Hon. George Hall, Parliamentary Under-Secretary.
Hon. R. M. A. Hankey, Eastern Department, Foreign Office.
Mr. Douglas Howard, Head, Southern Department, Foreign Office.
Mr. A. H. Joyce, India Office.
Rt. Hon. Richard K. Law, Minister of State.
Rt. Hon. Oliver Lyttleton, Minister of Production.
Mr. G. MacKereth, Egyptian Department, Foreign Office.
Sir David Monteath, Under Secretary of State for India, Foreign Office.
Sir Firouz Khan Noon, member of the War Cabinet.
Mr. Peale, India Office.
Mr. Patrick, India Office.
Sir Maurice Peterson, Superintending Under Secretary, Refugee Department.
Mr. A. W. G. Randall, Refugee Department, Foreign Office.
Mr. Frank K. Roberts, Head, Central Department, Foreign Office.
Sir Orme Sargent, Superintending Under-Secretary, Southern Department, Foreign Office.
Mr. P. S. Scrivener, Head, Egyptian Department, Foreign Office.
Mr. R. L. Speaight, French Department, Foreign Office.
Col. the Hon. Sir Oliver Stanley, Secretary of State for the Colonies, Foreign Office.
Mr. G. R. Villiers, Ministry of Economic Warfare.

OTHER GOVERNMENTS

Mr. Agnides, Greek Ambassador.
His Excellency Mr. Taghi Zadeh, Iranian Ambassador.
Mr. Ghods, Counselor, Iranian Embassy.
General Lombard, Free French Delegate in London.
The Maharajah of Kashmir.
Sheikh Hafiz Wahba, Ambassador of Saudi Arabia.
Mr. Constantine Zinchenko, Counsellor of Soviet Embassy.

U.S. DIPLOMATIC AND CIVILIAN

Ambassador John G. Winant, U. S. Ambassador to England.
Mr. Eric Biddle, Bureau of the Budget Representative in
London.
Mr. Hugh Jackson, UNRRA.
Mr. Charles Noyes, Ministry for Economic Affairs.
Mr. William Phillips, U. S. Ambassador.
Mr. Winfield W. Riefler.
Mr. Phillip Reed, Ministry for Economic Affairs.
Mr. Rudolph Schoenfeld, Counsellor of Embassy.
Mr. Spyros Skouras, President of 20th Century Fox Film Co.
Dr. Chaim Weizmann, World Zionist Organization.

U.S. ARMY

General A. C. Wedemeyer, Deputy Chief of Staff to
Lord Mountbatten.

V. Mr. H. Freeman Matthews

BRITISH

Rt. Hon. Anthony Eden, Secretary of State for Foreign Affairs.
Mr. Neville Butler, Counsellor, Minister Plenipotentiary, Foreign Office.
Hon. Sir Alexander Cadogan, Permanent Under-Secretary of State, Foreign Office.
Col. Leslie Caner, War Cabinet Officer.
Lord Catto, Governor of the Bank of England.
Mr. H. Ashley Clark, Far Eastern Department, Foreign Office.
Mr. George Clutton, Foreign Office.
Lt. Gen. Humphrey Gale, Deputy Chief of Staff, SHAEF.
Lt. General Arthur E. Grasett, British Army.
Mr. Oliver C. Harvey, Superintending Under-Secretary, French Department, Foreign Office.
Lt. General W. G. Holmes, British Army.
Mr. Douglas F. Howard, Head, Southern Department, Foreign Office.
Mr. H. M. E. Jebb, Foreign Office.
Rt. Hon. Richard K. Law, Minister of State, Foreign Office.
Mr. John Litterby, Bank of England.
Mr. W. H. B. Mack, Head, French Department, Foreign Office.
Mr. Charles Peake.
Dowager Marchioness of Reading, Chairman, Woman's Voluntary Services.
Mr. F. K. Roberts, Acting Head, Central Department, Foreign Office.
Mr. Nigel Ronald, Foreign Office.
Sir Orme Sargent, Superintending Under-Secretary, Southern Department, Foreign Office.
Sir David Scott, Assistant Under-Secretary of State.
Sir William Strang, British Representative on European Advisory Commission.
Mr. J. M. Troutbeck, Head, Central Department, Foreign Office.
Maj. Gen. J. F. M. Whiteley, SHAEF.
Mr. Christopher Warner, Head, Northern Department, Foreign Office.

OTHER GOVERNMENTS

Czechoslovakia

Mr. John Masaryk, Foreign Minister.

France

M. Vienot, French Delegate in London.
M. Paris, French Delegate in London.

M. Cambon.
M. Comert.
M. Louis Marin.
M. Dejean.

U.S. DIPLOMATIC AND CIVILIAN

Ambassador John G. Winant.
Dr. E. F. Penrose, UNRRA.
Ambassador William Phillips.
Hon. Winfield W. Riefler, Minister, Board of Economic Warfare.
Mr. Rudolph Schoenfeld.
Mr. Howard Bucknell.
Mr. W. J. Gallman.
Mr. Philip Reed.

U.S. ARMY AND NAVY

Brig. General T. J. Davis.
General Dwight Eisenhower.
General Bedell Smith.
Admiral H. S. Stark.
Lt. Gen. James Doolittle.
Brig. Gen. Julius Holmes Spaty.
Commander B. R. Kittredge.
Brig. Gen. Robert McClure, SHAEF.

VI. Mr. R. J. Lynch

BRITISH

Sir Gilbert Braithwaite, Office of the War Cabinet.
Sir Edward Bridges, Secretary of the War Cabinet.
Mr. Neville Butler, Counsellor, Minister Plenipotentiary, Foreign Office.
Mr. W. M. Codrington, Assistant Under-Secretary of State.
Sir George Hall, Parliamentary Under-Secretary of State.
Sir David Scott, Assistant Under-Secretary of State.
Mr. Geoffrey Willson, Russian Division of the Foreign Office.

DIPLOMATIC AND CIVILIAN OFFICIALS

Ambassador John G. Winant, American Ambassador to England.
Mr. Howard Bucknell, Minister Counselor, American Embassy.
Mr. W. J. Gallman, Counselor of American Embassy in London.
Mr. Rudolph Schoenfeld, Chargé d'Affaires, Embassy Near the Allied Governments.
Mr. Henry Stebbins, Second Secretary and Consul.
Mr. John Stone, Second Secretary and Vice Consul.

*BSF Stettinius folder 2-44
State file*

THE UNDER SECRETARY OF STATE
WASHINGTON
June 16, 1944

MEMORANDUM FOR MISS TULLY

The Secretary has asked me to handle the attached. This is the matter about which I sent you a note on the 14th. If the President is still desirous of discussing it, of course, I shall be available any time at his convenience.

E. Stettinius

THE UNDER SECRETARY OF STATE
WASHINGTON

*Stettinius folder
2-44*

file

June 14, 1944

MEMORANDUM FOR MISS TULLY

You sent to me as Acting Secretary the President's memorandum of the 12th, enclosing cable 4627 from London relative to an article in the London Daily Express entitled "F.D.R. Has Plan for France", with the instruction to speak to the President about it. In view of Mr. Hull's return, I have handed this memorandum to him, with the thought that he would raise it with the President in conversation.

E. Stettinius

Stettinius folder 2-44

THE WHITE HOUSE
WASHINGTON

June 12, 1944.

MEMORANDUM FOR

HON. E. R. STETTINIUS, JR.

Will you speak to me about this
at your convenience?

F.D.R.

Telegram to Dept. of State, No. 4627 from
Winant, 6-9-44, requesting check on statement
appearing in the Daily Express on June 8th
in column "United States newsfront" by C.V.P.
Thomson and headed "F.D.R. has plan for
France", in re plan for rebirth of the Third
French Republic.

VMT-825

PLAIN

London

Dated June 9, 1944

Rec'd 5:17 p.m.

Secretary of State,
Washington.

4627, Ninth.

In the DAILY EXPRESS of June 8th in the column entitled "United States newsfront" by C.V.R. Thomson and headed "F.D.R. has plan for France" there appeared the following under a New York Wednesday dateline: "President Roosevelt has before him a new plan for the rebirth of the Third French Republic. It is based on the French Constitution enacted after the Franco-Prussian War. As soon as the Germans are expelled from half of France each department would send two delegates to a General Council. With the backing of the people, the Council would then summon Parliament and call back to office a Constitutional President, probably Albert LeBrun, now under house arrest in Northern France. LeBrun would, according to the Washington report, ask a prominent anti-Vichy Frenchman to form a Cabinet. This temporary government would rule France until French prisoners in Germany could be repatriated and

democratic

-2- #4627, ninth, from London

democratic elections held. General deGaulle would, presumably, hold an important post in France's first government".

Would you please check on this, sending copy of this message to the White House?

WIN:NT

HTH

*file
secret*

*137; summary of plan
2-44*

THE UNDER SECRETARY OF STATE
WASHINGTON

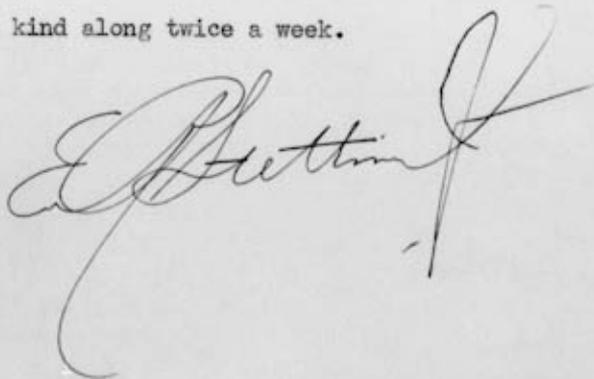
October 26, 1944

MEMORANDUM FOR MISS GRACE TULLY

Knowing how pressed the President is, as you observed, I have not been bothering him but it occurred to me it would be helpful for him to have from me every two or three days a two page high spot record covering important developments in foreign relations that he could glance at, say twice a week.

You might wish to present him with the first memorandum of this kind and then give me the benefit as to the President's reaction and whether or not he would like me to continue this for the next couple of weeks.

Unless I hear from you to the contrary, I shall send something of this kind along twice a week.



THE UNDER SECRETARY OF STATE
WASHINGTON

October 24, 1944

SPECIAL INFORMATION FOR THE PRESIDENT

These international developments of the past two or three days will be of especial interest to you:

INFORMATION FROM THE FIELD

Bulgarian Armistice Terms. The draft text of the armistice terms and protocol regarding Bulgaria has been cleared by the European Advisory Commission and has been referred by the delegates to their respective capitals for approval. Kirk reports that Eden is said to believe that Russia considers Bulgaria a part of the Soviet's special Slavic sphere and that the British were obliged to yield on points of national influence in Bulgaria to the Russians in order to obtain certain concessions from the Soviets in Yugoslavia.

Hungarian Armistice Terms. The Hungarian armistice terms appear to be bogged down in discussions of reparations. No definite developments are expected until conditions in Hungary are more clearly known.

Portuguese Negotiations. Ambassador Norweb is concerned lest negotiations regarding Portuguese participation in the liberation of Timor cause difficulties in our efforts to proceed with the construction of an air base on Santa Maria. He believes that if the War Department should reject the Portuguese proposals we should voluntarily abandon the Santa Maria project.

Italian Participation in German Armistice Terms. Italian participation in the armistice terms to be imposed upon Germany is not approved by Ambassador Winant who foresees difficulties arising if this precedent is established because other Allied nations will immediately press for preferential treatment superior to that enjoyed by Italy.

Yugoslav

DECLASSIFIED

State Dept. Letter, 1-11-73

By J. Scheidt Date

MAR

1972

Yugoslav Relief. Ambassador Kirk sees no necessity for hasty action on a draft agreement regarding Yugoslav relief submitted by Elliott of the Balkan Air Force. Kirk intends to press for its reference to the Combined Chiefs of Staff for consideration.

Soviet-Iranian Relations. Recent Soviet newspaper attacks on Iran, following the breaking off by the Iranians of negotiations for oil concessions, are somewhat ominous.

Greek Political Situation. One day after arriving in Greece, Prime Minister Papandreu resigned, was re-appointed and set about reestablishing the Cabinet. This was done under a prior arrangement with the King, who is still making all major decisions in London although the Crown Prince is still nominally regent and remains in Cairo. British sources believe that, if the Prime Minister can survive the present week, he will probably remain for an indefinite period.

Greek Relief. The Greek Government still expresses great concern over what it considers the inadequacy of the relief planning of the military. The question of available bottoms, rather than of supplies, is stated to be the crux of the matter.

Millspaugh Mission in Iran. The problem of Dr. Millspaugh's status has become further complicated by the refusal of the Cabinet to sanction his attempted dismissal of the politically powerful head of the national bank.

Arab Concern Regarding Zionism. The Arab Chambers of Commerce in Jerusalem and Haifa cancelled appointments with the Culbertson mission in the past few days as a protest against the President's statement on Palestine. Reports from Iraq indicate that the President's statement and those of Secretary Stimson and others recently also caused great concern there.

Guatemalan and Salvadoran Revolutions. The successful revolution in Guatemala was conducted by a mixed junta of uncertain but probably Leftist orientation, while the new ruling group in El Salvador is reported to be composed of military reactionaries. American recognition of these two new governments will await inter-American consultation.

ACTION

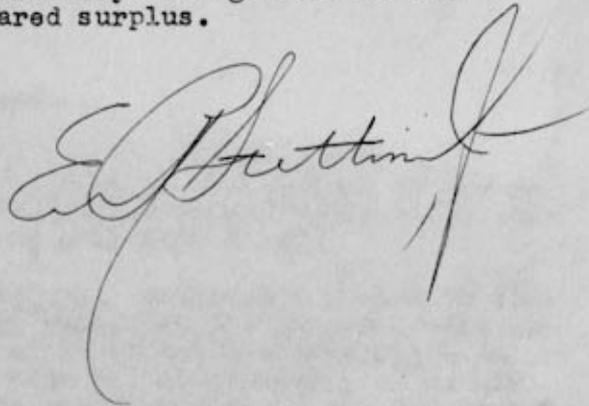
ACTION IN THE STATE DEPARTMENT

France in the United Nations. Telegrams have been dispatched to Paris, London, Moscow and Chungking proposing that France become one of the United Nations.

Meeting of American Foreign Ministers. The Department is considering suggesting to Padilla that he call a meeting of American Foreign Ministers in Mexico City, possibly in December.

Future of the Combined Boards. The Americans and British have agreed that the three combined boards, CRMB, CPRB and CFB, should continue in existence until six months after the end of the war, but that in the meantime they should restrict their activities to items in short supply and items involving shipping difficulties.

Surplus Property. Discussions are beginning this week with the British and Canadians in an effort to work out mutually satisfactory arrangements on the disposal of goods declared surplus.

A large, stylized handwritten signature in cursive script, appearing to read "E. P. Huntington". The signature is written in dark ink and is positioned in the lower right quadrant of the page, below the typed text.

PSF: Stettin's folder

2-44

THE UNDER SECRETARY OF STATE
WASHINGTON

*file
Secret*

October 30, 1944

MEMORANDUM FOR MISS GRACE TULLY

Subject: Attached Memorandum for
the President

Would you please see that the
attached memorandum is brought to the
President's attention as soon as possible.

E. Stettin

THE UNDER SECRETARY OF STATE
WASHINGTON

~~SECRET~~
October 27, 1944

SPECIAL INFORMATION FOR THE PRESIDENT

These international developments of the past two or three days will be of especial interest to you:

INFORMATION FROM THE FIELD

DIVERSION OF AIR FORCE FROM ITALY TO BALKANS. Kirk expresses great anxiety at diversion by the British, presumably for political reasons, of Allied Air Force from Bologna Front, where U.S. troops are hard pressed, to various parts of the Balkans.

EUROPEAN ADVISORY COMMISSION. London Embassy reports Soviets now ready to proceed rapidly with work of EAC including plans for control of German economy and for occupation of Austria. Embassy believes we must also be prepared with our views on these subjects, or onus for delay will fall on us alone.

BELGIAN SHORTAGES. Recent public demonstrations in regard to shortage of food, clothing and fuel may affect the stability of the Belgian Government. The Allied military are considering the possibility of bringing in small supplies of food.

SUPPLIES FOR ITALY. Ambassador Kirk on the Allied Commission continues to urge the vital necessity of immediate implementation of the President's announcement in regard to civilian supplies for Italy.

ITALIAN AMBASSADOR TO UNITED STATES. Bonomi has requested agreement for Sforza's appointment as Ambassador to Washington.

PARTITION OF GERMANY. Massigli stated belief that the Soviet offer of German territory to Poland is designed to make Poland the principal object of future German revenge. He stated that this fact alone would deter France from making a claim to any German territory.

DECLASSIFIED
State Dept. Letter, 1-11-73
By J. Schauble Date

MAR 6 1972

RUMANIAN

RUMANIAN FEARS OF RUSSIA. Maniu who has expressed fear that Rumania will be voted into the Soviet Union has been reassured by a British statement that the Control Commission could take action on any such attempt.

SWEDISH REQUEST FOR AIRCRAFT. The Swedes have made an urgent request for the presentation of seventy Thunderbolt fighters.

SWEDISH EXPORTS TO GERMANY. Minister Johnson has been instructed immediately to make a joint démarche with his British colleague in regard to the stoppage of Swedish exports to Germany. However, our London Embassy raises question whether it is desirable to press Swedes to cut off all trade with Germany since this would lead to Germans retaliating by preventing vital Swedish relief to Holland and Norway.

SITUATION IN SERBIA. Mihailovich wishes to place himself under orders of General Wilson but Wilson fears to jeopardize British relations with Tito. OSS officer just out of Serbia reports there will be a blood bath if Tito takes over and that the Serbs favor a Serb state in a Balkan federation.

ANGLO-ETHIOPIAN AGREEMENT. British are insisting on post-war control of large reserved areas in Ethiopia and the Emperor has asked the U.S. to appeal to the British on this point.

SOVIET-IRANIAN RELATIONS. Soviet Embassy in Tehran has taken numerous occasions to make clear in an unofficial manner that they want Prime Minister Saed dropped and will see to it that he is.

ACTION IN THE STATE DEPARTMENT

PORTUGUESE NEGOTIATIONS. Department has transmitted to General Arnold Portuguese proposals concerning Santa Maria Airfield and Timor and has urged that they be accepted.

BRITISH-ARGENTINE NEGOTIATIONS. Department and British Embassy are endeavoring to arrange for a visit of British Minister of Food to Washington next week to discuss Argentine meat contract.

LEND-LEASE

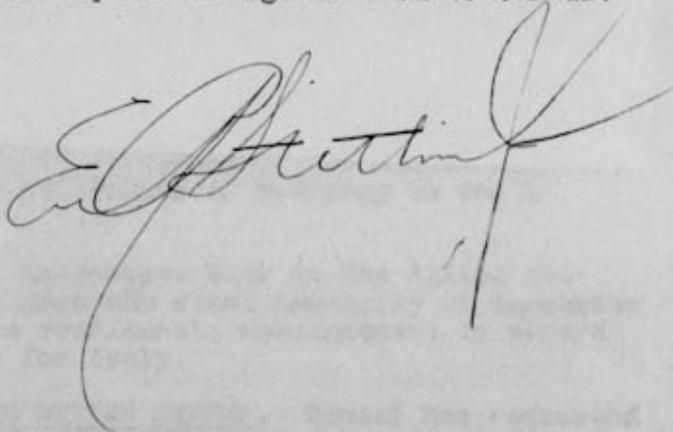
LEND-LEASE DURING PHASE II. In our lend-lease discussions with the British we have reached substantial agreement both as to types of items to be furnished during Phase II as well as on the modifications of policy in regard to the White Paper.

FRENCH LEND-LEASE. Treasury believes French program includes two billion dollars for reconstruction which it considers inconsistent with Lend-Lease Act.

SOVIETS AT AVIATION CONFERENCE. Soviets have informed Department that they cannot participate in aviation conference because of attendance of Switzerland, Spain and Portugal. Department is endeavoring to obtain a change in Soviet position.

CIVILIAN SUPPLY FOR THE BALKANS. The Army feels that supplies for the Balkans should be at the bottom of the priority list, but State and FEA assert that they should be on an equal footing with supplies for all liberated areas outside forward military zones. Army is preparing a memo to the President.

CANADIAN LIQUOR HOLIDAY. In view of liquor holiday which Canada is planning to put into effect October 28 WFA is proposing an immediate export embargo on corn to Canada.

A large, stylized handwritten signature in dark ink, likely belonging to E. A. Tamm, is written over the bottom right portion of the page. The signature is cursive and somewhat abstract, with a long vertical stroke extending downwards from the main body of the signature.

PSF: *Stettinius folder*
2-44

THE UNDER SECRETARY OF STATE
WASHINGTON

November 1, 1944

file

MEMORANDUM FOR MISS GRACE TULLY

Subject: Attached Memorandum for
the President

Would you please see that the attached memorandum is brought to the President's attention as soon as possible?

E. Stettinius

THE UNDER SECRETARY OF STATE
WASHINGTON

~~SECRET~~
October 31, 1944

SPECIAL INFORMATION FOR THE PRESIDENT

These international developments of the past two or three days will be of especial interest to you:

INFORMATION FROM THE FIELD

GAUSS RESIGNATION. A returning Foreign Service officer was asked by Gauss to inform Department that he proposed to resign as of November 1 and that his decision is final. (Department wired Gauss that it was highly desirable that his resignation be postponed in view of the Secretary's absence.)

INTERNAL SITUATION IN CHINA. Gauss reports that there is no indication that Chiang contemplates bringing various factions together or making any move, military or political, which might weaken his personal position. He apparently has no desire to collaborate with Soviet Russia or to compromise the Communist problem. He presumably considers ousting of Stillwell a diplomatic victory over the U.S. U.S. military officers increasingly feel that American aid should be given to Communists or any other Chinese forces fighting Japan. Successful Japanese drives to Chengtu or Kunming might result in fall of Chinese Government.

JURISDICTION OVER INDOCHINA. British staff of SEAC has protested to London the inclusion of Indochina in the American theater of operations.

ARGENTINE REQUEST FOR CONFERENCE. Preliminary reaction to Argentine request indicates that other republics are unshaken in their attitude toward Argentina. Some, however, would favor a conference of Foreign Ministers. (It is expected that the Board of the Pan American Union will merely refer request to the twenty governments.)

ARGENTINE

DECLASSIFIED
State Dept. Letter, 1-11-72
By J. Schauble Date MAR 6 1972

ARGENTINE-BRITISH MEAT CONTRACT. British Food Ministry states it cannot meet its responsibility to supply country with an adequate supply of meat in the most effective manner if purchases in Argentina are indefinitely continued on a month-to-month basis.

RECOGNITION OF GUATEMALA AND EL SALVADOR. Other American republics appear inclined to recognize liberal regime in Guatemala but to withhold recognition of reactionary military clique in El Salvador.

LATIN AMERICA AND SPAIN. Reports from several posts indicate a growing antipathy in Latin America to Franco regime. Certain republics contemplate breaking relations with Spain.

OPENING OF STRAITS. Turkish Prime Minister has stated there is no objection to passage of defensively armed merchant vessels through the Straits. (Joint Chiefs of Staff have been informed that from political point of view such vessels may immediately begin to transit the Straits with all categories of war materiel. Arrangements are being made with Russians for use of Black Sea ports.)

SOVIET ACTION IN IRAN. Soviet representative in Iran has stated that his Government can no longer collaborate with Iranian Prime Minister. A large demonstration against Prime Minister is believed by our Ambassador to have been staged by the Russians.

WITHDRAWAL OF SOVIETS FROM AVIATION CONFERENCE. In replying to our Chargé's comments on withdrawal, Vyshinsky expressed great bitterness at Switzerland and Spain and added that the U.S. is attempting too broad a basis of collaboration.

FRENCH REPRESENTATION ON EUROPEAN ADVISORY COMMISSION. Soviet Government states that it favors participation of France as a fourth permanent member of Commission and believes that French representative should be invited at once to participate in EAC discussions on Germany. (U.S. Government has expressed agreement to the latter proposal and instructed American representative to associate himself with an invitation to the French Ambassador in London.)

DISARMING

DISARMING OF FRENCH CIVILIANS. Communist reaction has been strongly adverse to French Government's decision to disarm civilians and the National Council of Resistance believes it should have been consulted beforehand. De Gaulle informed the NCR that the Government would not compromise its right to act without consultation with the Council.

RUMANIAN RELATIONS WITH JAPAN. U.S. and British Governments have approached Rumanian and Soviet Governments in regard to Rumanian failure to break relations with Japan.

U.S. POLITICAL REPRESENTATION IN RUMANIA. Soviet Government states it has no objection to the appointment of a U.S. political representative in Rumania.

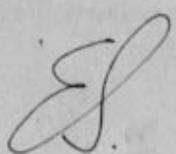
RUMANIAN INTERNAL SITUATION. British have protested to the Soviet Government its failure to disarm the "Communist Guard" in Rumania. Formation of new Rumanian government based on four major political parties may improve internal conditions.

CONTROL COMMISSION IN BULGARIA. Chief of Soviet delegation on Commission, commenting on delay in arrival of American mission, has inquired whether British would act for U.S. Soviet Government, replying to Winant's reservation regarding Article XVIII of Bulgarian armistice terms, refuses to admit equal responsibility for the three Allies after the cessation of hostilities with Germany.

SWEDISH EXPORTS TO GERMANY. Minister Johnson believes that recent Swedish action substantially meets our demands in regard to the stoppage of exports.

ACTION IN THE STATE DEPARTMENT

DIRECTIVES CONCERNING GERMANY. A number of directives for Germany, including one in regard to the machinery of military government, have in the last few days been approved by the Joint Chiefs of Staff and transmitted to Winant for presentation to the EAC.



THE UNDER SECRETARY OF STATE
WASHINGTON

November 3, 1944

SECRET

files

SPECIAL INFORMATION FOR THE PRESIDENT

These international developments of the past two or three days will be of especial interest to you:

INFORMATION FROM THE FIELD

DISARMAMENT OF FRENCH RESISTANCE GROUPS. Despite objections from Resistance elements and open opposition from the Communists, the Provisional Government is apparently determined to enforce its decision to disarm Resistance groups.

FRENCH RECRUITING FOR INDOCHINA. The French Minister of Colonies states that, with the knowledge of our military authorities, officers and men are being recruited who might be interested in serving in the Pacific and particularly in Indochina.

VISIT OF CHURCHILL AND EDEN TO PARIS. On the invitation of the French Provisional Government Churchill and Eden plan to proceed to Paris at the end of next week.

WESTERN EUROPEAN REGIONALISM. A Foreign Office official states that conversations between Eden and representatives of Western European countries on regional collaboration will be resumed in the near future. Among other things, the problem of rearmament will be discussed.

POLISH-SOVIET SITUATION. Mikolajczyk, when expressing appreciation for the President's message, stated that no decisions had been made on the Moscow proposals. He was generally pessimistic.

SOVIET APPROPRIATION OF U.S. OIL EQUIPMENT. The British are protesting the Russian action in removing oil refinery equipment and accessories from the establishments of British and American companies in Rumania. The British have suggested corresponding deductions in lend-lease supplies to Russia if a satisfactory solution is not found.

DECLASSIFIED

State Dept. Letter, 1-11-72

By J. Schauble Date

MAR 6 1972

CANADIAN

CANADIAN CABINET REORGANIZATION. Prime Minister King resolved a very serious Cabinet crisis by the replacement of his Minister of Defense who believed that the time had come to use abroad armed forces conscripted for home service only.

HITLER'S HEALTH. The Swiss Foreign Minister states that after July 20 Hitler developed nervous disorders and is now in seclusion, Himmler being in full control of the Government.

GREEK ECONOMIC SITUATION. The combination of a nightmare inflation and German destruction of transport facilities has practically deprived the Greek economy of any motion at all.

SOVIET-IRANIAN RELATIONS. The U.S. cannot concur in any interference in internal Iranian affairs, Moscow was informed in a note delivered by Kennan, under instruction. Reference was made to the Tehran declaration of December 1, 1943. Disturbances and agitation against the Saed Government continued in Iran and were reported by the Embassy in Tehran to be indisputably of Soviet origin.

ANTI-SEMITIC ATTITUDE OF IBN SAUD. Ibn Saud expressed his "hate for Jews" and his intention to "butcher" any who enter his kingdom, in addressing an MESC agricultural mission and a group of courtiers at Riyadh.

GALÁPAGOS BASE. Ecuadoran Constitutional Assembly is favorable to letting U.S. keep Galápagos base but compensation in some form will be expected.

ARANHA INTERVIEW. Aranha has given an interview to Time correspondent in Rio in which he attacks U.S.-Argentine policy, accuses Vargas of "Fascist ways" and opposes a fourth term for President Roosevelt.

GUATEMALAN RECOGNITION. There is general agreement among the American republics that the new regime in Guatemala should be recognized, probably early next week.

ACTION IN THE STATE DEPARTMENT

CONFERENCE OF FOREIGN MINISTERS. Ambassador Messersmith is proceeding tomorrow to Mexico City where he will suggest

that

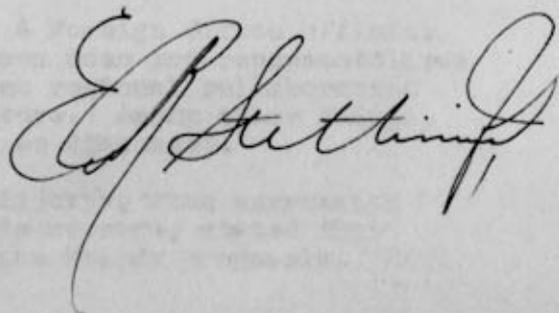
that Padilla call a conference of Foreign Ministers, excluding Argentina, to consider international organization and, as a last item on the agenda, the Argentine request for a conference.

SWEDISH-GERMAN TRADE. Joint Chiefs of Staff have informed the Department that they wish all Swedish trade with German-held territory cut off in spite of any disadvantages which resulting closure of Swedish ports might entail.

HUNGARIAN REPARATIONS. The American position that reparations should be treated generally on a tripartite basis at a later date and in conformity with requirements of European economic stability rather than on a unilateral basis is again to be presented to the Soviet Government. Failing Soviet agreement, we will not withhold signature of the Hungarian terms but will instead make a reservation on the reparations clause.

ITALIAN AMBASSADOR IN WASHINGTON. The Italian Government is to be informed that the American Government agrees to the appointment of Count Sforza as Ambassador to Washington.

ITALIAN PARTICIPATION IN AVIATION CONFERENCE. Kirk has been informed that the decision not to invite Italy to participate in the aviation conference was based upon the subject to be discussed and does not constitute a reflection of general policy.

A large, stylized handwritten signature in cursive script, likely belonging to E. A. Tamm, is written in the lower right quadrant of the page. The signature is fluid and somewhat abstract, with long, sweeping lines.

THE UNDER SECRETARY OF STATE
WASHINGTON

November 7, 1944

SPECIAL INFORMATION FOR THE PRESIDENT

These international developments of the past two or three days will be of especial interest to you:

INFORMATION FROM THE FIELD

INTERNATIONAL CONFERENCE ON ARGENTINA. The suggestion has been conveyed to Padilla of Mexico through Ambassador Messersmith that Mexico counter the Argentine proposal for a meeting of foreign ministers with the recommendation that a meeting of American Foreign Ministers, excluding Argentina, be held to discuss international security and related matters and to consider as the last item on the agenda Argentina's request for a hearing. Padilla's final reply has not yet been received though his preliminary reaction is inclined to be negative. There is increasing evidence of a desire on the part of other American republics to have a meeting of foreign ministers.

RECOGNITION OF GUATEMALA. The U.S., in company with most of the other American republics, will recognize the new regime in Guatemala Tuesday, November 7. Action on El Salvador is being withheld pending clarification of the revolutionary situation there.

AUSTRIAN CONTROL MACHINERY. Future planning by AFHQ regarding the occupation of Austria is reportedly suspended pending the receipt of political guidance. Molotov has told our Chargé that the question of establishing a tripartite control commission for Austria should be discussed in the European Advisory Commission.

DE GAULLE INTERVIEW. General de Gaulle outlined to Ambassador Caffery the American need for a strong France. He reasons that neither the U.S.S.R. nor Great Britain are European powers. Both de Gaulle and Bidault have told Caffery of France's need for equipment in order that more troops can be sent to the front.

DECLASSIFIED

State Dept. Letter, 1-11-72

FRENCH

By J. Scheuble Date MAR 6 1972

FRENCH CONSULTATION WITH EAC. An invitation has been addressed to the French Ambassador in London to take part "in the consideration of German affairs" when these are on the agenda of the European Advisory Commission.

FRENCH AMBASSADOR TO U.S. The French Government has suggested Henri Bonnet as Ambassador to Washington. (The American Government is informing the French that, while any Ambassador whom the French care to name will be welcomed, we do not regard Henri Bonnet as a happy choice because he is unknown in this country.)

DISARMING OF FRENCH CIVILIANS. Discussing the statute proposed by the Council of National Resistance to transform the patriotic militia into a "civic republic guard", the French Foreign Minister told Caffery that the Government intended to stick to its guns in view of the sentiment of the French people for order.

RUMANIAN CONTROL COMMISSION. The British have reiterated their interest in having American representatives on the Rumanian Control Commission arrive as quickly as possible to lend support to the British efforts to prevent Russian removal of oil refinery equipment. Advance members of the American delegation have arrived at Bucharest and have been well received by the Russians.

RUSSIAN WITHDRAWAL FROM AVIATION CONFERENCE. Our missions in Moscow and London report that British observers have advanced four reasons for Russian failure to attend the Aviation Conference: an expected difference of opinion between U.S. and British delegations; Russia's wish to emphasize her position vis-a-vis "hostile" neutrals; Russian opposition to reported British Commonwealth bloc established in Montreal; and Russian fear of being left in a solitary position as at the EITO and UNRRA Conferences. 2

GERMAN AIR TRAFFIC WITH SPAIN. Spain has expressed a willingness to terminate German commercial air services if the Allies permit the establishment of Spanish air service from Barcelona to Zurich.

SOVIET-IRANIAN RELATIONS. Further reports of a gradual change in the Russian attitude led Ambassador Morris to feel on November 4 that the situation had improved slightly. Mossadegh, an elder statesman, may succeed Saed. He is critical of American, British and Soviet policy and opposes foreign oil concessions. He is also very anti-Millspaugh.

CONDITIONS

CONDITIONS IN GREECE. A considerable advance in plans to deal with inflation is reported, and concrete action may be taken in the coming week. The Government also has a project, in which the British concur, to raise a security force of 40,000 men, to be equipped by the British with small arms and clothing.

ASSASSINATION OF LORD MOYNE. Lord Moyne's assailants are reported to have been two Palestine terrorists.

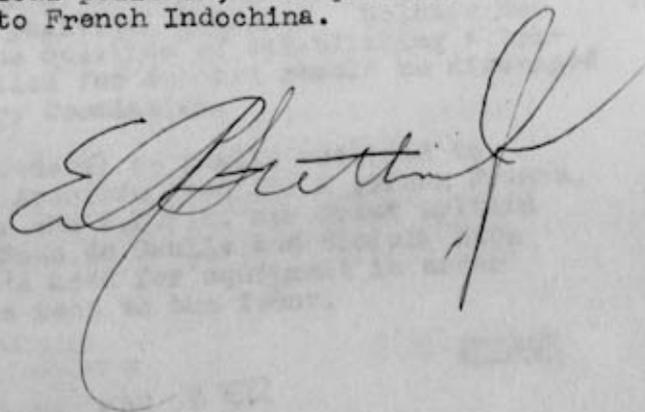
CONTROL MACHINERY FOR GERMANY. Agreement has been reached in the EAC on control machinery in Germany and the protocol may be signed Wednesday or Thursday.

ACTION BY THE STATE DEPARTMENT

AVIATION CONFERENCE. Organization of the conference is proceeding smoothly. There is still wide difference between U.S. and British positions on both the ultimate division of traffic and on the provisional arrangement of air routes. In spite of British opposition we have commenced bilateral discussions of the latter question with the French, Swedish and Icelandic delegations. Mr. Berle has informed the Latin American group that we are not wedded to any particular scheme of organization for the international aviation body and are open to suggestions.

NIMITZ-GREW CONSULTATIONS. Mr. Grew departs on November 8 for Honolulu to consult with Admiral Nimitz at the Admiral's request on questions relating to Japan.

BRITISH AND FRENCH POLICY IN INDOCHINA. The Department instructed the Embassy at Chungking to request General Wedemeyer to give his views and information regarding British and French political policies, both present and post-war, in regard to French Indochina.



THE UNDER SECRETARY OF STATE
WASHINGTON

*File
Secret*

November 13, 1944

MEMORANDUM FOR MISS GRACE TULLY

During the campaign, you will recall my sending over twice weekly a spot digest of current foreign affairs matters. Here is another one. Will you please give me your personal advice as to whether or not the President finds these of interest. Would you prefer that I keep him up to date verbally?

*Answered by
Walt Whitman -
keep on sending
these digests*

ES

Attachment

THE UNDER SECRETARY OF STATE
WASHINGTON

November 11, 1944

SPECIAL INFORMATION FOR THE PRESIDENT

These international developments of the past two or three days will be of especial interest to you:

INFORMATION FROM THE FIELD

FRENCH ATTITUDE TOWARD WESTERN EUROPEAN BLOC. Apparently inspired French press comment indicates that the French are opposed to the establishment of a Western European bloc including England, France, Holland and Belgium and favor the achievement of an entente between France, Great Britain, the Soviet Union and the United States within the framework of an international organization including all powers.

HUNGARIAN ARMISTICE TERMS. An approach will be made by the American Chargé d'Affaires in Moscow and the British Ambassador there to Molotov in regard to early resumption of tripartite discussion on armistice terms for Hungary. The American position on reparations will be presented and it is hoped will be supported by the British.

ITALIAN PRISONERS OF WAR. General Wilson has directed that immediate steps be taken to have American-held Italian prisoners of war brought to Italy from North Africa. Since this decision was taken on the basis of operational necessity, Ambassador Kirk did not actively oppose it.

ESTABLISHMENT OF DUTCH GOVERNMENT IN NETHERLANDS. On the specific request of Prime Minister Churchill SHAEF has agreed to the establishment on Dutch soil of an advance headquarters of the Dutch Government.

RELIEF FOR POLAND. The Embassy at Moscow has been instructed again to write to Molotov concerning the delay in Soviet

DECLASSIFIED
State Dept. Letter, 1-11-72
MAR 6 1972
By J. Scheuble Date _____

clearance

clearance of the transmission of relief supplies to Poland. The Red Cross is prepared immediately to send representatives to Poland to supervise the distribution of medical supplies.

POLISH-SOVIET RELATIONS. British pressure has brought about an early but negative reply on the part of the Polish Government to the proposals made at Moscow. The negative reply was based on the Polish desire for a clarification of certain points at issue, particularly those relating to the British guarantee of a western boundary and of new Poland. Although Churchill stated that this reply might make it necessary to withdraw his support of the Polish Government, Eden subsequently indicated British willingness to negotiate for the continuation of the Anglo-Polish treaty.

NEW RUMANIAN GOVERNMENT. Previous reports to the effect that the new Rumanian Government was not approved by the King appear to be incorrect. However, the King is understood to have no faith in the new Government. Vyshinski arrived in Rumania and gave no warning of his trip to either the British or American Embassies in Moscow.

AGREEMENT BETWEEN YUGOSLAV GOVERNMENT AND TITO. The British appear to be concerned over the very one-sided agreement reached between Tito and Subasic under which the Royal Government will have only three out of twenty-eight seats in the new Government. The British political representative at Bari has stated that Brigadier MacLean has made a mess of Yugoslav affairs.

REED RESIGNATION. Philip Reed, Chief of Mission for Economic Affairs, London, wants to be relieved of his job by December 1. He has strongly urged that a successor be appointed to represent the Government agencies including State, who would constitute the economic representative under the Ambassador and be responsible to all agencies. Suggestions for a successor are now under review.

ECONOMIC ADVISER ON GERMANY. A joint State-FEA designation of Leon Henderson as United States adviser on German economic affairs has been approved throughout the Department and is being cleared with FEA.

EUROPEAN

EUROPEAN ECONOMIC COMMITTEE. The Russians have inquired as to the purposes of the Committee in more detail, but the British have urged the Russians to join the group before further delay.

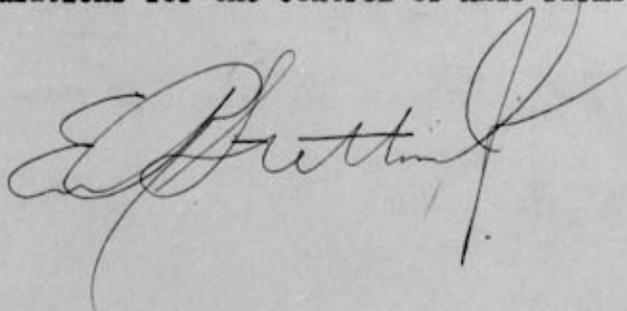
CONDITIONS IN GREECE. The last few days have seen the greatest political and economic progress since liberation. An anti-inflation program, the most essential desideratum of all, is scheduled for application in the next few days. A formula for disbanding of the ELAS, EAM and EDES has apparently been adopted and will come into force gradually over the next month.

SOVIET-IRANIAN CRISIS. The Soviet-Iranian crisis has begun to show some signs of abating, in the past few days. The Iranian Premier, however, has yielded his post, though his successor is thought almost certain to take the same view on new concessions.

PALESTINE PROBLEM. The assassination of Lord Moyne, apparently by Jewish terrorists, has seriously complicated the already sorely vexed Palestine picture. The British Government is said to be "furious". The Iraqi Government has been at special pains in the past ten days to impress upon Minister Henderson that American action regarding Palestine, favoring the Zionists, would end United States-Iraqi relations.

MEETING OF AMERICAN FOREIGN MINISTERS. Mexican Foreign Minister Padilla, in reply to the Department's suggestion that he call a meeting of Foreign Ministers, excluding Argentina, to discuss hemispheric post-war problems with addendum consideration of the Argentine problem has unilaterally proposed to the other American republics that no meeting be held on Argentina and that a meeting on post-war problems be held about February 1. Solution of the Argentine problem should he thinks be left to diplomatic consultations, a timely solution of which might permit Argentine attendance at the February 1 meeting.

CONTROL OF AXIS FIRMS IN ARGENTINA. A new Argentine decree contains regulations for the control of Axis firms.



PSF: Stettin folder

2-44

THE UNDER SECRETARY OF STATE
WASHINGTON

November 14, 1944

SPECIAL INFORMATION FOR THE PRESIDENT

These international developments of the past two or three days will be of especial interest to you:

INFORMATION FROM THE FIELD

CHURCHILL - DE GAULLE CONVERSATIONS. Churchill has discussed with de Gaulle the possible arming of additional French divisions for front-line service and the creation of a French zone in Germany. Churchill is inclined to agree to cede a small part of the British zone to France and has expressed to Ambassador Caffery the hope that the U. S. will be willing to do likewise. According to Eden no steps toward the establishment of a Western European bloc were or will be taken, though in the distant future special economic arrangements, and possibly even other arrangements, might be made. The Soviet Ambassador at Paris has stated to Caffery his opposition to any British attempt to set up a Western European bloc.

FRENCH ECONOMIC CRISIS. The French Delegate for Inter-Allied Affairs has written a critical note to SHAEF regarding the status of relations between France and the Allied military authorities. Ambassador Caffery believes that this may indicate a French attempt to place on the Allies the blame for grave and growing French economic difficulties. SHAEF believes that joint representations regarding this matter should be made directly to the French Foreign Minister. De Gaulle has urged Caffery that we supply at once arms for four or five divisions, claiming the French will support their economic crisis quietly only if they feel they are participating in the war.

DECLASSIFIED
State Dept. Letter, 1-11-72
By J. Scheuble Date MAR 6 1972

BRITISH-BELGIAN

SOVIET-IRANIAN

THE UNDER SECRETARY OF STATE
WASHINGTON

-2-

BRITISH-BELGIAN CONVERSATIONS. British conversations with the Belgian Foreign Minister concerned food and armaments and did not touch on security questions. The British Foreign Office has assured the Embassy that any regional security arrangement drawn up for Western Europe will be fitted into an international organization.

EAC WORK ON GERMANY. Soviet representative on EAC has informed our London Embassy that his Government desires to proceed rapidly with German directives in order to avoid any differences of policy among the three zones of occupation which might lead Germans to feel one occupying power was more or less harsh or lenient than the others. Soviets wish to start with discussion of elimination of Nazis and Hitler regime.

SWEDISH EXPORTS TO GERMANY. The British have expressed surprise and concern over the Department's instructions to Stockholm in regard to an approach designed to obtain an immediate cessation of Swedish exports to Germany. This matter is still being discussed with the British.

HUNGARIAN ARMISTICE TERMS. Molotov has been informed that we are now prepared to proceed with discussions of the Hungarian armistice terms.

VISIT TO MOSCOW OF YUGOSLAV PRIME MINISTER. Subasic has left Belgrade en route to Moscow.

STATUS OF ITALIAN PARTISANS. AAI has informed AFHQ that the granting of a military status to Italian Partisans would be difficult to defend and might affect Allied consideration of the Volksturm movement.

EL SALVADOR. Opposition to the Aguirre regime is gaining in strength and organization. Our embarrassing recognition problem may be thus solved in El Salvador.

SOVIET-IRANIAN

THE UNDER SECRETARY OF STATE
WASHINGTON

-3-

SOVIET-IRANIAN RELATIONS. The resignation of the Saed Government has contributed to abatement of the crisis with the Soviet Union, which had already set in about ten days ago. A new Cabinet is still under discussion.

GREEK ECONOMIC CRISIS. The institution of a program to combat inflation is expected to make a start toward eliminating generally chaotic economic conditions. The Export-Import Bank may be able to assist Greece immediately by financing U. S. exports, if the credit could be extended to a nongovernmental entity, the Greek Government having been in default to this country since 1934.

IRAQI ATTITUDE TOWARD ZIONISM. Implementation of pre-election statements in the U. S. favoring a Jewish state in Palestine would render impossible further Iraqi relations with the U. S., the Iraqi Foreign Minister told Minister Henderson.

ACTION BY THE STATE DEPARTMENT

MEETING OF FOREIGN MINISTERS. The U. S. has circulated a memorandum presenting our views on Mexican Foreign Minister Padilla's counter proposal for a meeting of Foreign Ministers to discuss post-war problems. The main divergence between our views is the unwillingness of the U. S. to work for some formula to provide for the return of the present Argentine Government to the family of American republics prior to the meeting. (Padilla, upon seeing our memorandum, has stated that he sees no essential difference between the two views and that he never intended to seek a formula for recognition unless Argentina manifests a change of heart.)

CENTRAL

THE UNDER SECRETARY OF STATE
WASHINGTON

-4-

CENTRAL AMERICA. Recent developments in Central America have led the Department to remind the Governments of the Republics there of their obligations under the 1933 Montevideo Convention to avoid interference in the internal affairs of others.

KING CAROL'S TRIP TO EUROPE. The Department has informed various missions in Europe that former King Carol is believed to be proceeding to Portugal by way of Brazil and has asked them to report on the possible accuracy of information to the effect that the Russians are backing Carol.

E. Stettin

3684

lms

PSF Stettinius folder
Stat

2-44

THE WHITE HOUSE
WASHINGTON

November 16, 1944.

MEMORANDUM FOR

HON. E. R. STETTINIUS:

Will you speak to me about
this?

F.D.R.

Memorandum for the President from Isador Lubin,
10/25/44, in re a permanent United States Foreign
Intelligence Service, the nucleus of such an
organization already being in existence in the
Office of Strategic Services.

file

DEPARTMENT OF STATE
WASHINGTON

November 17, 1944

SECRET
SPECIAL INFORMATION FOR THE PRESIDENT

These international developments of the past two or three days will be of especial interest to you:

INFORMATION FROM THE FIELD

FRANCO-BRITISH CONVERSATIONS. Reports on the British-French conversations have been received from both sides. Bidault stated France has no desire to annex German territory but wishes to take part in a permanent international control of the Rhineland, Ruhr and Saar. France also desires an occupation zone taken from British and U. S. zones. Although France has no love of Franco, she desires order on her Southern border and believes opposition to Franco too disunited to be effective. French are stated to have no territorial ambitions vis-à-vis Italy and believe that the Italian North African possessions might well be left to the Italians. France expects to re-occupy Indochina but will grant extensive rights to the natives. France does not desire a Western European bloc and this subject was not discussed.

WEST EUROPEAN CUSTOMS UNION. Ambassador Caffery has learned that members of the French Government tend to support a proposal for a customs union between Belgium, Luxembourg, the Netherlands and France.

BRITISH VIEWS ON TREATMENT OF GERMANY. The British Government is reported to believe that purely negative

DECLASSIFIED

State Dept. Letter, 1-11-72

By J. Scheuble Date _____

MAR 6 1972

measures

DEPARTMENT OF STATE
WASHINGTON

-2-

measures regarding economic treatment of Germany will have limited effectiveness in providing security since public opinion probably would not be willing indefinitely to support drastic economic prohibitions. While the British favor certain negative measures, including the prohibition of armament, aircraft and synthetic oil production, they believe that positive steps should be taken to turn the Germans toward useful production. The British are inclined to favor reparations in kind, the total amount to be determined at a later date, as against a probable Soviet desire for a fixation of total reparations in monetary terms.

DUTCH ATTITUDE TOWARD WEST EUROPEAN BLOC. The Netherlands Foreign Minister has stated that his Government will not enter into conversations looking toward the establishment of a Four-Power political military alliance since these conversations would involve commitments binding upon the Government to be formed after the liberation of the Netherlands.

EXPANSION OF POLISH ARMY. Ambassador Kirk has learned that an early conference will be held in London with Polish Generals in regard to the determination of a long-term policy connected with the expansion of the Polish Army.

TITO-SUBASIC AGREEMENT. The British Chiefs of Staff have informed General Wilson that the Agreement between Tito and Subasic cannot become effective until approved by the King and the Yugoslav Government in London. Yugoslav Acting Foreign Minister has displayed anxiety over the agreement concluded between Tito and Subasic.

EVACUATION

DEPARTMENT OF STATE
WASHINGTON

-3-

EVACUATION OF MIHAILOVITCH. MacMillan, on instructions from the British Foreign Office, has asked Kirk to request the OSS to evacuate Mihailovitch and to arrange for his transportation to the U. S. where he would be "much happier". Kirk in reply pointed out that serious complications would confront the American Government if it took the action suggested. MacMillan is recommending to the Foreign Office that this matter be raised in a proper manner through the British Ambassador at Washington.

GREEK INTERNAL SITUATION. Reports received by British counter-intelligence that a coup may be attempted by EAM-ELAS and the Communists before the guerillas begin to be disbanded on December 1 are regarded as probably extreme by MacVeagh. Nevertheless, he believes that this period will be a critical one.

IRAQ. Declaring himself concerned for the future of Iraq, the Foreign Minister of that country appealed to Minister Henderson for U. S. and British pressure on Russia to abate its campaign in Iran.

PRISONERS OF WAR IN JAPANESE HANDS. The Japanese Foreign Minister states that representatives of the International Red Cross may now visit prisoner-of-war camps in occupied territory.

CHINESE-SOVIET DIFFICULTIES. The Chinese imply that recent disturbances in Sinkiang were inspired by the Soviets, who wish to prevent the Chinese Government from actually exercising control over border regions.

ACTION

DEPARTMENT OF STATE
WASHINGTON

-4-

ACTION BY THE STATE DEPARTMENT

PADILLA PROPOSAL. We are informing Padilla that, if he agrees that nothing can be accomplished by dealing with the men now in power in Argentina and that steps in that direction are premature, we can reach an understanding on the meeting of Foreign Ministers which he proposes.

PURCHASE OF FATS AND OILS FROM ARGENTINA. Because of world shortage of fats and oils the State Department has had to tell the American side of the Combined Boards to make available supplies from Argentina on an allocation basis. There is no alternative unless a severe rationing program is undertaken in this country.

ITALIAN PARTICIPATION IN GERMAN SURRENDER ARRANGEMENTS. Ambassador Kirk has been informed of the American Government's belief that, although no invitation should be extended by the European Advisory Commission to the Italian Government for presentation of the latter's views on German surrender arrangements, the Italians might well submit their views on this subject in an informal manner to the American, British and Russian representatives in Rome. The American Government would then expect to forward the Italian views to its representative on the EAC.

SWEDISH EXPORTS TO GERMANY. The Department has informed the Embassy at London that British alternative proposals in regard to an approach to Sweden concerning the cessation of Swedish-German trade are not acceptable and that military requirements make necessary an early approach to the Swedish Government on this subject.

BRITISH

DEPARTMENT OF STATE
WASHINGTON

-5-

BRITISH STATEMENT REGARDING PRISONERS OF WAR. The Department informed London of its objections to making any official statement of prisoner-of-war atrocities, which might endanger pending exchange negotiations.

E. A. Tamm, Jr.

file

PS

State

2-44

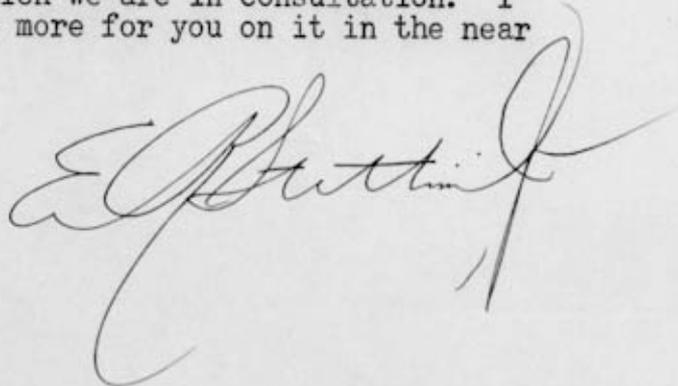
DEPARTMENT OF STATE
WASHINGTON

November 21, 1944

MEMORANDUM FOR THE PRESIDENT

Subject: Free Port in Mexico

Some time ago you asked us to study the possible economic advantages of such a free port in more detail. This is taking considerable time, as there is little data available on which to work but it is having our best attention as well as that of other agencies of the Government with which we are in consultation. I hope to have something more for you on it in the near future.



PSF: *Stalin's forecast* 2-V4

~~SECRET~~
~~SECRET~~

THE UNDER SECRETARY OF STATE
WASHINGTON

file 7

~~SECRET~~

November 21, 1944

SPECIAL INFORMATION FOR THE PRESIDENT

These international developments of the past two or three days will be of especial interest to you:

INFORMATION FROM THE FIELD

De GAULLE VISIT TO MOSCOW. The visit of de Gaulle to Moscow will probably take place within a few days. The British are offended because they learned of the invitation only through announcements in the press. The French Communist press has taken note of French uneasiness over Soviet policy and is endeavoring to reassure Frenchmen.

ECONOMIC TREATMENT OF GERMANY. British experts do not favor permanent international control of the Ruhr. They fear Soviets might interpret this arrangement as a special Anglo-U.S.-French sphere of influence and would want a similar sphere for themselves in Eastern Germany. British experts incline to favor control of strategic mineral imports into Germany though they believe effective enforcement would involve world-wide control of these minerals.

U.S. PARTICIPATION IN PLANNING OCCUPATION OF AUSTRIA. General Wilson has asked for the assignment of several U.S. Army officers to AFHQ (G-5 Staff) to participate in planning the occupation of Austria. The Allied Commission for Austria in London supports Wilson's proposal and suggests that a ruling be obtained from the Combined Chiefs of Staff.

SWEDISH

DECLASSIFIED
State Dept. Letter, 1-11-72
MAR 6 1972
By J. Schauble Date _____

~~SECRET~~

SWEDISH EXPORTS TO GERMANY. The Swedish Government has maintained that it must continue at least token shipments to Germany, pending the arrival of essential buna from the U. S., else the Germans will prevent the buna from arriving. Minister Johnson believes that Sweden will curtail all essential exports as soon as buna supplies reach Sweden.

SWEDISH MILITARY ASSISTANCE TO NORWAY. Swedes have informed Norwegian Government that under certain circumstances they would join Norwegians in military operations in Norway.

VISIT TO MOSCOW OF NORWEGIAN FOREIGN MINISTER. Foreign Minister was pleased by Moscow conversations during which Molotov showed no interest in ideology of Norwegian Government and only in its resistance to Germans.

MOSCOW VISIT OF YUGOSLAV PRIME MINISTER. Subasic, who has just arrived in Moscow, refused to comply with Mr. Churchill's urgent request that he return to London before proceeding to Moscow. Kirk observes that Subasic is more realistic than London in his appreciation of the fact that Yugoslav affairs are determined in Moscow.

SOVIET ATTITUDE TOWARD BULGARIA. Bulgarian Foreign Minister informed the British representative in Sofia that the Soviet authorities in Moscow have insisted to him that under no circumstances must Bulgaria become a Communist state.

RUMANIAN COMPLIANCE WITH ARMISTICE TERMS. Vyshinski's visit to Bucharest was designed to expedite the execution of the armistice terms. King Mihai has informed the American representative that Rumania's delay in fulfilling the armistice terms is to a large extent due to the disruption of transportation facilities by the Russians.

HUNGARIAN REPARATIONS. Great Britain is ready to support, with minor amendments, the American proposals regarding Hungarian reparations.

DECLASSIFIED
State Dept. Letter, 1-11-72

DECLASSIFIED
State Dept. Letter, 1-11-72
By J. Schauble Date

MAR 6 1972

FINNISH

MAR 6 1972

~~SECRET~~

-3-

FINNISH AFFAIRS. The attitude of the new Finnish Cabinet toward Russia and its reflection of Finnish Leftist trends are regarded as improvements. The appointment of an American representative to Finland is not expected to evoke objections from the Soviets.

ITALIAN CABINET CHANGES. Bonomi is expected to make cabinet changes soon without waiting for the liberation of Northern Italy.

GREEK INTERNAL AFFAIRS. British counter-intelligence has urged London to send reinforcements against the possibility of an EAM coup before December 1, but Ambassador MacVeagh does not believe that so extreme a move is contemplated. British commander has blockaded Athens against anyone bearing arms. The food problem is very serious, and labor is demanding trebled wages.

FRENCH POLICY TOWARD SYRIA AND LEBANON. Franco-British discussions in Paris made little progress except to indicate a difference of views. The French are determined to maintain as strong a position as possible.

BRAZILIAN ATTITUDE TOWARDS MEETING OF FOREIGN MINISTERS. Vargas feels it would be a mistake to hold any conference of Foreign Ministers in the near future as the Argentine problem would be predominant in spite of plans to the contrary.

ECONOMIC PRESSURE ON ARGENTINA. Uruguayan Foreign Minister stresses need of U.S. and British economic pressure on Argentina regime which he says would not then hold out much longer.

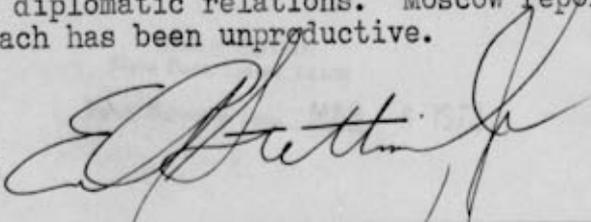
BOLIVIAN REVOLT. A Bolivian revolutionary movement appears to have been localized at Oruro.

DIPLOMATIC RELATIONS BETWEEN CHILE AND U.S.S.R. Chile has requested U.S. assistance in approaching U.S.S.R. on establishing diplomatic relations. Moscow report says direct approach has been unproductive.

DECLASSIFIED

State Dept. Letter, 1-11-72

By J. Schauble Date MAR 6 1972



PSF; Stettinius folders 2-44

file

THE UNDER SECRETARY OF STATE
WASHINGTON

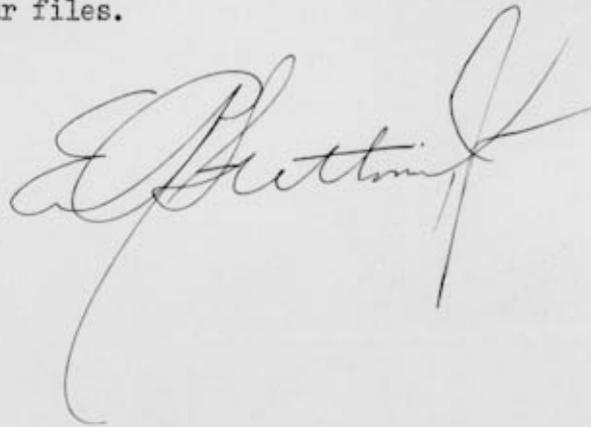
~~SECRET~~

November 22, 1944

MEMORANDUM FOR MISS TULLY

Subject: Work Sheets for the President

Attached are copies of the work sheets I had with me when I saw the President yesterday and which you may wish to keep for your files.



DECLASSIFIED
State Dept. Letter, 1-11-72
By J. Schauble Date MAR 6 1972

~~SECRET~~

-2-

3. Congressional Groups - May I confer with them on open Dumbarton questions, especially voting?

4. Dumbarton Message to Stalin and Churchill - Approval of attached drafts - Not to be sent until after conversations with Congressional groups.

5. Firmer position with Russia regarding Iran - Russians continuing to agitate for oil concessions in Iran. British have protested to Russians in support of Iranian sovereignty. Do you approve Department backing up the British on this?

6. Radio Station in Saudi Arabia - It is very important to operations of the Arabian American Oil Company to have accessible communications facilities. The Saudi Government is willing to erect a radio station which could be used by the oil company but is unwilling to do so in the face of objection by the British Government. The British-owned Cable and Wireless have a monopoly in Saudi Arabia, the facilities are not readily accessible, and the company is supported by the British Government. If British objection to the radio station is

DECLASSIFIED

State Dept. Letter, 1-11-72

not

By J. Schauble Date MAR 6 1972

not withdrawn by December 1, the Saudi Government cannot abrogate its contract with the British company for five years. I have prepared a proposed message for you to send to Mr. Churchill asking him to withdraw the British objection.

7. Foreign Service Bill - Hope we may have your support of the bill in current session of Congress. Bill provides for more adequate compensation of low-grade clerical employees which has been requested several times by congressional sub-committees. It also removes percentage limitations on higher classes of Foreign Service officers which are now holding up much-needed promotions of junior officers.

8. Lend Lease, Stage 2 - Final meeting with the British to be held tomorrow.

DECLASSIFIED

State Dept. Letter, 1-11-72

By J. Schauble Date MAR 6 1972

~~SECRET~~
~~SECRET~~

-3-

7. Mr. Joseph E. Davies - Do you approve of asking Mr. Davies to make a trip to England on your behalf and the Secretary's to review the matter of dealing with war criminals and to look into the matter of exchanging prisoners.

8. Congratulatory Messages to Heads of other Governments - What is your preference with regard to handling messages to heads of foreign governments:
 - a. Do you prefer to send such messages on the national holiday or on the birthday of the ruler? The former has been traditional and each foreign government has been consulted by us so that we know its preference.
 - b. When you receive a message from the head of another government, do you wish to reciprocate on a like occasion?

9. Mrs. J. Borden Harriman - Mrs. Harriman is a little disappointed that she was not returned to Norway.

DECLASSIFIED
State Dept. Letter, 1-11-72
By J. Schauble Date MAR 6 1972

~~SECRET~~

THE UNDER SECRETARY OF STATE
WASHINGTON

DECLASSIFIED

State Dept. Letter, 1-11-72

November 27, 1944

By J. Schauble Date MAR 6 1972

SPECIAL INFORMATION FOR THE PRESIDENT

These international developments of the past two or three days will be of especial interest to you:

GOERING PEACE FEELER. An intermediary representing that he speaks for Goering informs our Embassy in Paris that Goering believes the war lost and is ready to proceed to Sweden and publicly urge the German nation to lay down its arms.

DEFEATISM IN CHINA. Pessimism and defeatism are spreading in Chungking, and recent governmental changes are being shrugged off as too late in view of the military situation. Chungking officials feel Chinese military resistance is disintegrating. American military are doing everything possible to maintain Chinese morale. Much depends on the direction of the next Japanese advance.

AMERICAN CIVILIAN EVACUATION OF SOUTHEAST CHINA. The Embassy at Chungking has instructed the Consulate General at Kunming to implement plans for the withdrawal of American citizens from Kewiyang and other places threatened by present Japanese drive. U.S. Air Force assistance is not available because of military necessity. The British are taking similar action.

REORGANIZATION OF CHINESE GOVERNMENT. Chinese Cabinet changes are "in the family", made prior to nominal participation of Communists in the Government. The Communists will probably refuse this nominal participation, or any compromise not meeting their minimum desires.

SOUTHEAST ASIA. Missions and consulates abroad have been informed that you have decided that U.S. approval must not be given to a French mission to SEAC, and that our officers in the Far East should not make political decisions on the future of Southeast Asia with the French or anyone else.

EXCHANGE NEGOTIATIONS.

EXCHANGE NEGOTIATIONS. The Swiss have been requested to propose to the Japanese Government an exchange of Japanese forces on isolated Pacific islands for allied prisoners of war in Japanese hands.

FRENCH ADHERENCE TO UNITED NATIONS DECLARATION. French state they are ready to adhere to the United Nations Declaration, adding they assume such adherence means they will participate in all international conferences organized within the framework of the United Nations.

BELGIAN POLITICAL SITUATION. Despite large-scale demonstrations against the Government, Pierlot firmly maintains that Resistance elements must be disarmed.

RELATIONS BETWEEN SHAEF AND FRENCH GOVERNMENT. General Bedell Smith has recommended abolition of the office of "Delegate for Allied Affairs" in the French Government which has been held by M. Coulet. In consequence Duff Cooper and Caffery will urge Bidault to rule that all problems arising in French civil ministries shall be referred through the Foreign Office to the Allied Embassies. Military matters will be subject to direct discussion between SHAEF and the Defense Ministries.

GERMAN CIVILIAN MORALE. Bern reports a growing Catholic and Socialist opposition in South Germany where morale among bombed-out civilians is at a new low.

GERMAN SCORCHED EARTH POLICY IN NORWAY. The Swedish Government has made strenuous efforts at Berlin to obtain permission from the Germans to bring Swedish relief to quarter million Norwegians in Northern Norway whose plight is critical as a result of the scorched earth policy of the Germans.

YUGOSLAV AFFAIRS. Mr. Churchill has answered King Peter's reproachful comments on one-sidedness of Tito-Subasic agreement by assuring him that the U.S.S.R. will take no action pending return to London of Subasic and study of agreement by both British and Yugoslav Governments.

General Wilson

General Wilson has complained to Mr. Churchill that Tito places politics before war and has failed to cooperate with the Western Allies in planning for enlarged military operations in Dalmatia. Accusations of brutality on the part of the Partisans in Chetnik areas made by Mihailovitch have been confirmed by recently returned OSS representative.

DISARMAMENT OF RESISTANCE FORCES. British Minister McMillan has been requested by General Wilson to discuss in Washington and London General Wilson's recommendation that a joint statement be issued by the Allied Governments regarding the disarmament of non-regular forces in liberated countries.

GREEK POLITICAL SITUATION. British intelligence continues to report indications that a coup is planned by ELAS before December 10, when disarming of that body is to start.

BRITISH REPRESENTATIONS TO SOVIETS ON IRAN. In a letter to Molotov, the British Ambassador suggested a Soviet statement that the Soviet Government, in agreement with the American and British Governments, will let the concessions matter rest until the end of the war. The letter asked clarification of the Russians view and expressed British concern over evidence of continuing Soviet pressure.

SOVIET ATTITUDE TOWARD ZIONISM. Russia is unqualifiedly opposed to the Zionist program, the Iraqi Minister in Beirut claims he was told in confidence by the new Soviet Minister there.

BOLIVIAN INSURRECTION. Bolivian Government has completely suppressed insurrection. Composition of revolutionary movement still is obscure, but pro-totalitarian party and military extremists are expected further to consolidate their position in the Government.

ECUADORAN PARTICIPATION IN THE WAR. Ecuador has been informed that a declaration of war on Axis by it would be well received in Washington.

BRAZILIAN

BRAZILIAN DISSATISFACTION WITH U.S. COTTON AND COFFEE
POLICY. Brazilian reaction to U.S. cotton subsidy plan
and maintenance of coffee price is unfavorable. Both
actions are of major political and economic importance
to Brazil and may weaken President Vargas' position.

E. H. Hittling

file ->

~~SECRET~~

THE UNDER SECRETARY OF STATE
WASHINGTON

~~SECRET~~

November 28, 1944

SPECIAL INFORMATION FOR THE PRESIDENT

These international developments of the past two or three days will be of especial interest to you:

ITALIAN CABINET CRISIS. Following the resignation of the Bonomi Government, Prince Umberto is expected to ask Bonomi to form a new Government within the framework of the six party coalition. The British Ambassador has informed Bonomi that the appointment of Sforza as Foreign Minister would not be acceptable.

TRANSIT TRAFFIC THROUGH SWITZERLAND. General Wilson has urged immediate diplomatic representations to the Swiss demanding that transit traffic and exports to Italy be terminated.

FRENCH ADHERENCE TO UNITED NATIONS DECLARATION. The French representative in Washington has been authorized to sign the United Nations Declaration of January 1, 1942.

U.S. TREATMENT OF GERMAN PRISONERS IN FRANCE. General Reckard has endeavored to point out to the French press that our treatment of German prisoners-of-war does not exceed the simple humanitarian requirements stipulated by the Geneva Convention.

SOVIET SEIZURE OF OIL EQUIPMENT IN RUMANIA. Neither Vyshinski nor General Vinogradov have been willing to do more than inform Moscow of American protests voiced by Berry and General Schuyler that American oil refinery equipment had been designated as war booty and removed without prior consent of this Government.

DECLASSIFIED
State Dept. Letter, 1-11-72
By J. Schauble Date MAR 6 1972

RUMANIAN

~~SECRET~~

-2-

RUMANIAN AND FINNISH REPARATIONS. The British have informed the Soviet Government that they can agree only to the evaluation of Rumanian and Finnish reparations items at prices prevailing at the time of delivery and not at pre-war prices as the Soviets are demanding. The U.S. Embassy in Moscow has been authorized to support the British representations.

RELATIONS BETWEEN TITO AND BRITISH. A British source has informed Kirk in strictest confidence that political commitments binding Mr. Churchill as well as the delicate state of British-Partisan relations have prevented the Prime Minister from demanding military cooperation from Tito in accordance with General Wilson's request.

PARTISAN AMNESTY FOR CHETNIKS. The Partisans have published a decree granting amnesty to Chetniks who desert to the Partisans before January 15, 1945.

U.S. AND MIHAILOVITCH. The Acting Yugoslav Foreign Minister in London has complained to Ambassador Patterson concerning report that the U.S. is removing Mihailovitch from Yugoslavia.

ALBANIAN RESISTANCE. FNC forces which now control four-fifths of Albania will occupy Tirana today on the anniversary of Albanian independence.

CIVILIAN SUPPLIES FOR ALLIED GOVERNMENTS. Our Missions to the French, Belgian, Luxembourg, Netherlands and Norwegian Governments have been informed that the U.S. hopes that the Washington representatives of these nations will be authorized to discuss arrangements for obtaining civilian supplies during the post-military period.

OCCUPATION OF AUSTRIA. The American delegate on the EAC has been instructed to proceed with the formulation of recommendations for the occupation and control of Austria on the basis of British plans for the occupation of Germany as amended by American suggestions and on the basis of American proposals regarding control for Germany.

DECLASSIFIED

State Dept. Letter, 1-11-72

By J. Schauble Date MAR 6 1972

INTERNATIONAL

INTERNATIONAL RESTITUTION COMMISSION. The British Government has proposed, through its delegate on the EAC, for the establishment of a Restitution Commission to deal with property confiscated by the Nazis.

KUOMINGTANG-COMMUNIST NEGOTIATIONS. Pessimism continues regarding a KMT-Communist settlement, although the door is not closed.

BRITISH POLICY TOWARD THAILAND. Anthony Eden's reply concerning the post-war status of Thailand contained no unequivocal statement as to complete independence. On the other hand, it contained reservations regarding security and economic collaboration and regarding territorial arrangements in the Kra Isthmus.

CHINESE WPB. The Chinese WPB regulations, drafted in accordance with Donald Nelson's suggestions, will soon be published, but not in their entirety.

CHINESE POST-WAR COMMERCIAL POLICY. The Embassy at Chungking was informed that the proposed statement of the Chinese Government regarding post-war commercial policy was seemingly at variance with the Atlantic Charter and other instruments and agreements. Chinese officials are to have their attention called to the importance attached by this Government to the principles of equality of opportunity and elimination of discrimination.

U.S. - ECUADORAN NEGOTIATIONS. Ecuadoran Ambassador Galo Plaza has left Washington for Quito to discuss the Estrada mission, the Galapagos, and Ecuador's desire to join United Nations.

CHILE-BOLIVIA BORDER INCIDENT. The Bolivian-Chilean border incident following the Bolivian insurrection has been settled to the satisfaction of both republics.

EXECUTION

DECLASSIFIED

State Dept. Letter, 1-11-72

MAR 6 1972

By J. Scheuble Data _____

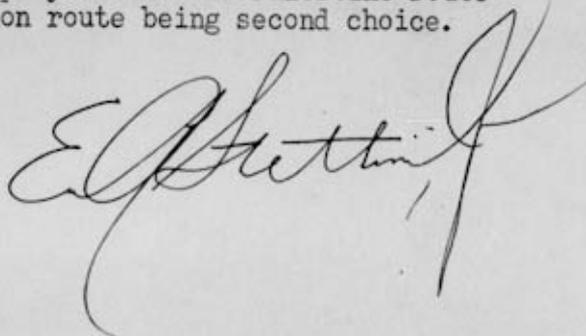
~~SECRET~~

-4-

EXECUTION OF BOLIVIAN REVOLUTIONISTS. The execution of captured Bolivian revolutionists has made a bad impression in several republics. Two of those shot were former Cabinet officers.

BRITISH-ETHIOPIAN NEGOTIATIONS. The negotiations with the British have been suspended and may be terminated. Haile Selassie finally conceded the British the lease they demanded on the reserved areas and the Ogaden. Disagreement arose over the time when the lease would end.

ARABIAN PIPELINE. King Ibn Saud is cordial to the project for a pipeline. According to an Arabian American Oil Co. message, the company thinks the Palestine route is best, the Syria-Lebanon route being second choice.



DECLASSIFIED
State Dept. Letter, 1-11-71 MAH 6 1972
By J. Schauble Data _____

~~SECRET~~

THE UNDER SECRETARY OF STATE
WASHINGTON

November 30, 1944

file

MEMORANDUM FOR THE PRESIDENT

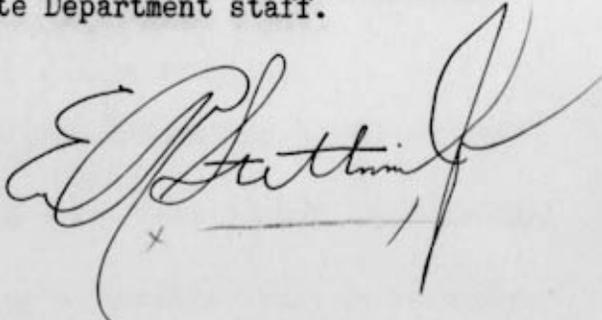
Subject: Ben Cohen

I talked to Justice Byrnes yesterday on the possibility of Ben Cohen joining the State Department as Assistant Legal Adviser.

Jimmy stated that he had expected to have the services of Will Clayton as Deputy, but now he only had Ben Cohen and Russell and if he were to carry out his difficult responsibilities in the reconversion field, effectively, it would be essential for him to retain Ben's services at this time.

Jimmy stated he was going to send you a memorandum on the subject himself.

I do not believe there is anything further that can be done at the moment. Perhaps on your return you, Jimmy and I can discuss it some time when we are all together. I still feel, for many reasons, that Ben Cohen would be a very valuable addition to the State Department staff.



DECLASSIFIED
State Dept. Letter, 1-11-72
By J. Schauble Date MAR 6 1972

*PSF Stettin's folder
State 2-44*

THE UNDER SECRETARY OF STATE
WASHINGTON

PRESIDENT'S WORK SHEET

Items to discuss with the President

1. Postwar rehabilitation - memorandum for approval attached.*
2. Foreign economic policy - memorandum attached.*
3. Executive Committee on Foreign Economic Policy - approval of attached memorandum suggesting the make-up of the Committee.*
4. Grew to be our top negotiator on international aviation discussions.
5. British petroleum discussions - instructions in view of attached message from Prime Minister.*
6. Future of Combined Boards - present proposed messages to Stalin and Churchill attached.*
7. United Nations organization - President wishes to discuss attached memorandum and suggested cables with you.*
8. Dollar balances - present proposed letter to Churchill and memorandum attached.*
9. State Department personnel - memorandum listing new men in Department since November 1.*
10. Palestine resolution - does President have any instructions on procedure.
11. FEA and State - future relations
12. Foreign Service Administration - copy of memorandum attached.*
13. Spanish wolfram - new development - memorandum attached.*
14. Princess Juliens - possible visit to Venezuela - memorandum attached.*