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

ITALIAN POLITICAL CRISIS. Bonomi has been informed by Ambassador Kirk of the concern of the American Government over the prolonged Governmental crisis in Italy. Kirk has been instructed that we do not wish to pass upon the composition of the new Italian Government but that it should be required to abide by previous Italian undertakings to the Allies. The British Ambassador has clearly stated to Bonomi that the appointment of Sforza as Foreign Minister would be unacceptable. Kirk considers this an undue interference in Italian internal affairs which, since Italy is a theater of combined operations, to some extent involves the United States. Winant has therefore been instructed to express our regret to the Foreign Office that it felt it necessary to intervene in an internal Italian political crisis particularly without prior consultation with us, pointing out that this intervention has complicated the crisis by angering the Left parties and has occasioned widespread critical comment in the U.S. press.

NEW POLISH CABINET. Schoenfield reports that the new Polish Government is generally considered to be made up of the anti-Russian wing of the London Poles. The Chairman of the Lublin Committee, Osubka-Morawski, in a speech reported by the Soviet press, has indicated the willingness of his organization to cooperate with Mikolajczyk but only on the platform supported by the Lublin Committee.
RUMANIAN INTERNAL SITUATION. The King and principal party leaders have complained to our representative that the Allied Control Commission has never been formally constituted and that unilateral Russian action is in violation of the armistice terms and is disruptive of Rumanian national life. The King desires to set up a new non-party government of technicians but fears the Communists backed by the Russians may prevent.

INTERNATIONAL AVIATION CONFERENCE. The American Embassy at London has been informed of the concern felt by this Government that agreement has not yet been reached between the British and ourselves at Chicago. The Embassy is informed of this Government's willingness to assist Great Britain in achieving a better competitive position in civil aviation if such action would result in British willingness to join the United States in permitting the free development of aviation.

TITO-SUBASIC AGREEMENT. Brigadier MacLean has told Ambassador Kirk that Mr. Churchill is expected to urge King Peter to accept the agreement recently formulated by Tito and the Yugoslav Premier and to send a British Ambassador to Belgrade as soon as the agreement becomes effective.

BULGARIAN COMPLIANCE WITH ARMISTICE TERMS. General Koenig, the American delegate inspecting Bulgarian compliance with the prearmistice military requirements has reported the signing of an Allied protocol acknowledging satisfaction with Bulgarian action.

GREEK INTERNAL SITUATION. British sources fear a potentially serious political crisis, with the Communists possibly withdrawing from the Cabinet because of differences between left and right over disarming of guerillas and organization of the new government security force.

ANGLO-ETHIOPIAN AGREEMENT. The Emperor has finally conceded to the British the lease they have insistently demanded.
demanded on the reserved areas and the Ogaden. The formula covering this lease will designate it as Ethiopia's contribution, as an ally, to the prosecution of the war and places the areas involved under British military administration for the life of the Anglo-Ethiopian agreement which will presumably be concluded.

SOUTHEAST ASIA. The Dutch foreign minister states that there is no British-Dutch-French agreement regarding the future of Southeast Asia and that he would not make such an agreement without first consulting the United States. The Minister of External Affairs of Australia also said that he knew of no such agreement regarding Southeast Asia.

TEMPORARY "PANIC" IN CHINA. Recent Chinese defeats caused a temporary "panic" in the Chinese money market, with prices rising to unprecedented levels. A reassuring statement by General Wedemeyer, and other factors, curbed the panic to some extent.

EVACUATION OF AMERICAN CITIZENS. American citizens have been advised to withdraw from areas in China threatened by Japanese advances.

MEETING OF AMERICAN FOREIGN MINISTERS. The probable absence of a consensus among the American Republics by the time of the December 6 Pan American Union's meeting may preclude any decision regarding a meeting of Foreign Ministers. There is apparently a rather general desire 1) to postpone a meeting on general problems until after the world security conference and 2) to avoid through indefinite postponement and continued diplomatic consultations any open consideration of the Argentine question.

BRAZILIAN ATTITUDE TOWARD U. S. COTTON SUBSIDY. Brazil urges U. S. postponement of cotton subsidy until after proposed meeting of International Cotton Advisory Committee in view of grave effect subsidy may have on Brazilian economy.
Dear Sam,

I am very disappointed that you were unable to be here when I took the oath of office last Friday. It would have been such a pleasure to have had you with us.

I hope you are getting along well and that I shall see you soon.

With kindest regards,

Sincerely yours,

The Honorable
Samuel I. Rosenman
The White House
Washington, D. C.
November 22, 1944

Dear Ed:

Many thanks for your note of the twenty-first, together with that interesting enclosure.

Maybe we can use that young son of yours in government. There are some places I know where his facility for quick comeback would come in handy.

With kindest regards,

Very sincerely,

SAMUEL I. ROSENMAN

Honorable Edward Stettinius, Jr.  
Under Secretary of State  
Washington, D. C.
Dear Sam,

Here is a hot one that you will enjoy!

Sincerely,

[Signature]

The Honorable Samuel I. Rosenman
The White House
Washington, D.C.
One would have thought the matter of the election would have dropped by now, but it creeps into conversations, like a hen-pecked husband after a fight out with the boys. Classic remark of the week (in the opinion of a lot of people), was that given by young Teddy Stettinius, Woodberry Forest student, whose father's position as Under-Secretary of State and righthand man of the President, needs no explanation here. Teddy was waiting on tables at school the other day, as all the boys are required to do in these times of help shortage, when he heard the headmaster, J. Carter Walker, address him with the observation: "Well, Teddy, it seems that we are in for four more years of high taxes, bureaucratic government, increased cost of living and what not."

To which Teddy replied, "Yes, Sir, Mr. Walker, but it goes to show what the people will stand for the sake of getting a good man."

We don't know how long a silence followed, but we would like to have been the pin that dropped.
Personal and Private

Dear Sam,

Attached you will find the answer to a question that I gave at this morning's press conference.

Sincerely yours,

The Honorable
Samuel Rosenman
The White House
Washington, D.C.
November 2, 1944.

Q. Sir, I don't believe you have made any political speeches so far. Now that the campaign is nearing its end, is there anything you could say as to whether you are supporting the President and your viewpoint on the election?

A. Well, Mr. Baird, as you know, I have had my hands more than full helping Mr. Hull in the State Department. From where I sit, I am convinced that the country needs the continued leadership, the wise and experienced leadership of President Roosevelt to bring about a speedy victory and a sound peace.

Q. Could we quote you on that, Sir?

A. You may.
September 14, 1944

Dear Ed:

This will acknowledge the receipt of your letter of the twelfth. As soon as I get a chance to go over the documents, I am going to have a talk with Dr. Passolsky as you suggest.

With all good wishes,

Very sincerely,

SAMUEL I. ROSENBAH

The Honorable,  
The Under Secretary of State,  
Washington, D. C.
THE WHITE HOUSE
WASHINGTON

August 16, 1944

MEMORANDUM FOR JUDGE ROSENMAN:

Dear Sam:

I know of nothing that would "hearten the French people" as much as the capture of Paris. I don't think the ringing of church bells would add much to their joy and I am in favor of reserving the bells for Berlin and Tokio.

I think statements by the military leaders, with possibly Secretary Hull pointing out the international significance, would be adequate for Paris.

S. T. E.
It is urged that the President invite the people to celebrate the entry of the Allied Armies into Paris by the ringing of Church bells throughout the country.

If it is objected that no popular act marked the taking of Rome, the answer is obvious; Italy had been an enemy nation and some of her troops were still opposing our armies.

France, on the contrary, has been an allied nation, defeated, occupied and terrorized by the enemy. But now, in view of the symbolic as well as strategic value of Paris, of the unprecedented humiliation of the French in the past and in recognition of the present resurrection of the nation in sovereignty and in spirit, it would be most fitting that the Allied liberation of the capital of France be widely observed in this country. Such a demonstration would hearten the French people, both at home and abroad, whose psychology would render them particularly appreciative of a tribute to their fortitude during the years of German occupation.

It is thought that the ringing of church bells would be an especially appropriate gesture.

Washington,
August 14, 1944
THE WHITE HOUSE
WASHINGTON
August 15, 1944

MEMORANDUM FOR STEVE EARLY.

This was sent over to me by Stettinius. What do you think of it?

S. I. R.

Re ringing of church bells to celebrate entry of Allied Armies into Paris.
THE UNDER SECRETARY OF STATE
WASHINGTON
March 6, 1944

Dear Sam,

With reference to our conversation today on the telephone relative to the matter of civilian feeding of occupied Europe through the blockade, I have asked Adolf Berle to communicate with you direct on the subject if it is clarified in my absence abroad.

With best wishes,

Sincerely yours,

[Signature]

The Honorable
Samuel I. Rosenman
The White House
Washington, D.C.
THE UNDER SECRETARY OF STATE
WASHINGTON

February 4, 1944

Dear Sam,

I am terribly sorry that we can't make it for dinner tomorrow night, but it is necessary for me to go down to Virginia to see my eldest boy at school. We are leaving tonight and will not be back until Monday.

We appreciate your kind thought of us and hope to see you soon.

With best wishes,

Sincerely yours,

Judge Samuel Rosenman
The White House
Washington, D. C.
January 8, 1944

Dear Ed:

Many thanks for sending me the autographed copy of your book "Lend-Lease Weapon for Victory. I am looking forward to reading it.

With kindest regards,

Very sincerely,

SAMUEL I. ROSENMAN
Special Counsel to the President

Honorable E. R. Stettinius, Jr.
Under Secretary of State
Washington, D. C.
Signal Corps, United States Army

Received at

MR-OUT-583 DECEMBER 2, 1944

FOR THE PRESIDENT FROM THE SECRETARY OF STATE.

YOU WILL RECALL OUR CONVERSATION SEVERAL WEEKS AGO RELATIVE TO THE PALESTINE RESOLUTION. YOU WILL REMEMBER WISE HAD ASKED ME WHETHER YOU THOUGHT HE SHOULD PRESS AT THIS TIME AND YOU TOLD ME YOU FELT I SHOULD QUIETLY PASS THE WORD TO WISE AND CONNALLY AND BLOOM, IF NECESSARY, THAT YOU FELT IT WOULD BE A MISTAKE TO STIR THIS UP AND THAT YOU SHOULD BE GIVEN A CHANCE TO WORK MATTERS OUT ON A CERTAIN TRIP TO BE TAKEN IN THE FUTURE. CONNALLY ADVISES ME NOW THAT CERTAIN MEMBERS OF THE COMMITTEE HAVE GOTTEN OUT OF HAND AND ARE PRESSING TO HAVE THE RESOLUTION REPORTED OUT, WAGNER BEING VERY ACTIVE. CONNALLY SAYS THE MATTER IS TOO HOT FOR HIM TO HANDLE AND REQUESTS THAT I COME UP WEDNESDAY TO TESTIFY ON THE WHOLE JEWISH-ARAB-PALESTINE QUESTION.

WOULD IT NOT BE WISE FOR ME TO SAY TO CONNALLY THAT I HAVE CONSULTED YOU AND THAT YOU STILL FEEL STRONGLY IT WOULD BE A MISTAKE TO STIR THE MATTER UP NOW AND THAT IT SHOULD BE LEFT IN...

DECLASSIFIED

State Dept. Letter, 11-72

By J. Schauble Date___

TOP SECRET

MAR 6 1972
Signal Corps, United States Army

Received at

- 2 -

IN YOUR HANDS UNTIL YOU WERE GIVEN A CHANCE TO WORK THINGS OUT AND THAT IT WOULD BE YOUR FEELINGS THAT IT WOULD BE A MISTAKE TO HAVE ME OR ANYBODY ELSE TESTIFY EXHAUSTIVELY AT THIS TIME.

NO SIG.

RECEIVED

DECLASSIFIED
State Dept. Letter, 1-11-72
MAR 6 1972

By J. Schauble Date
MEMORANDUM FOR
HON. E. R. STETTINIUS, JR.

I have written Wagner and sent you a copy telling him I want him to do nothing at this time which would stir up the possibility of riots or war in the Near East.

F.D.R.
THE WHITE HOUSE
WASHINGTON
December 3, 1944.

MEMORANDUM FOR SENATOR WAGNER:

Dear Bob:

As you know, I am away for a few more days. Here is the only trouble about additional action by either House in regard to Palestine at this time. There are about half a million Jews there. Perhaps another million want to go. They are of all shades -- good, bad and indifferent.

On the other side of the picture there are approximately seventy million Mohammedans who want to cut their throats the day they land. The one thing I want to avoid is a massacre or a situation which cannot be resolved by talking things over.

Anything said or done over here just now would add fuel to the flames and I hope that at this juncture no branch of the Government will act. Everybody knows what American hopes are. If we talk about them too much we will hurt fulfillment.

F.D.R.

Copies sent to the Secretary of State and Senator Wagner by messenger 12/4/44.

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

December 2, 1944

Dear Mr. President:

The Foreign Relations Committee reluctantly and only after long discussion deferred action on the Palestine Resolution until next Wednesday. Frankly, the majority of the Committee felt that there was no reason why the Senate should be prevented from declaring itself in sympathy for the Jewish Commonwealth, which you yourself recently endorsed in your letter to me which was made public at the Zionist Convention in Atlantic City.

The Committee has asked that Secretary Stattinius appear next Wednesday and state the reason for his reported objection. I am fearful that his intervention against the resolution coming so soon after the Party Platform Declaration and your own Declaration may create a bad impression, not only among the Jewish people, but among non-Jewish people as well, and which will do the cause which you and I favor, serious harm.

It was stated at the Committee on Foreign Relations that Secretary Stattinius is not acting on his own behalf but is taking orders from the President.

In view of the action taken on Wednesday, by the House Foreign Affairs Committee, which has favorably reported a similar House Resolution and in view of the fact also that nearly four hundred Senators and Representatives are directly quoted in a House Document as favoring this Resolution it will be most unfortunate in my opinion, if this legislation is defeated in the Senate on the basis of the alleged opposition by you.

I hope therefore, Mr. President that you will take immediate steps to advise Senator Connolly, that you have no objection to the legislation but that as a matter of fact you favor it as you already indicated in your splendid
communication to the Zionist Convention at Atlantic City on October 15th.

May I also suggest that you advise Mr. Stattinius, so that there will be no misunderstanding whatsoever as to your attitude.

If agreeable to you I would like to talk to you on this matter by telephone as I really feel it is very important.

With my very best wishes,

Cordially Your Friend,

Bob

THE JEWISH NATIONAL HOME IN PALESTINE

November 30, 1944.—Referred to the House Calendar and ordered to be printed

Mr. Bloom, from the Committee on Foreign Affairs, submitted the following

REPORT

[To accompany H. Res. 418]

The Committee on Foreign Affairs, to whom was referred the resolution (H. Res. 418) relative to the Jewish national home in Palestine, having considered the same, report favorably thereon with amendments and recommend that the resolution, as amended, do pass.

The amendments are as follows:

On page 1, line 2, after the word “offices” strike out the words “and take appropriate measures”.

On page 2, line 4, after the word “democratic” strike out the word “Jewish”.

Taking cognizance of the ruthless persecution of the Jewish people of Europe by Nazi barbarians and their satellites, and the desperate need of a haven of refuge for those able to escape from their almost unbelievably inhuman atrocities, Representatives James A. Wright, of Pennsylvania, and Ralph Compton, of Connecticut, on January 27, 1944, introduced House Resolutions 418 and 419, which resolved that the United States use its good offices to have Palestine opened for free entry of Jews, and to provide full opportunity for colonization by Jews so that Palestine may ultimately be reconstituted as a free and democratic commonwealth.

Public hearings were held by the Committee on Foreign Affairs on these resolutions, on February 8, 9, 15, and 16, 1944. Most careful study and consideration was given to the questions involved, the testimony, and supplemental documents of the hearings numbering 641 pages.

At an executive meeting of the Committee on Foreign Affairs, on March 17, 1944, it was decided, because of military considerations only, and at the suggestion of the Secretary of War, to postpone
action on the resolution. On that date, the committee issued the following explanatory statement:

Advice and information given to us by those responsible for the conduct of the war have convinced the committee that action upon the resolutions at this time would be unwise.

(Letter from the Secretary of War:)

WAR DEPARTMENT,
Washington, D. C., March 17, 1944.

Hon. Sol Bloom,
Chairman, Foreign Affairs Committee,
House of Representatives, Washington, D. C.

Dear Mr. Bloom: Concerning our conversation with respect to House Resolutions 418 and 419, it is the considered judgment of the War Department that without reference to the merits of these resolutions, further action on them at this time would be prejudicial to the successful prosecution of the war.

Faithfully yours,

Henry L. Stimson,
Secretary of War.

Since that time, the military situation in the Mediterranean area has so improved that the military objections which prompted the Secretary of War to write his letter of March 17, 1944, to Chairman Bloom, no longer prevail. Accordingly, Secretary of War Stimson, on October 10, 1944, wrote the following letter to Senator Robert A. Taft, the senior Senator from Ohio, who has sponsored a similar resolution in the Senate:

WAR DEPARTMENT,
Washington, October 10, 1944.

Hon. Robert A. Taft,
United States Senate, Washington, D. C.

My dear Senator: I refer to your letter of September 12, 1944, regarding Senate Resolution 247, introduced by Senator Wagner and yourself on the subject of opening the doors of Palestine to the free entry of Jews into that country.

At the time your resolution was being considered by the Foreign Relations Committee the endorsement of such a proposal by the Congress had grave implications which would seriously have interfered with the progress of the war. In response to your inquiry I have reviewed the considerations which applied at that time. I find that there is still strong feeling on the part of many officers in my Department that the passage of such a resolution would interfere with our military effort. However, I do feel that the military considerations which led to my previous action in opposing the passage of this resolution are not as strong a factor now as they were then.

In my judgment, political considerations now outweigh the military, and the issue should be determined upon the political rather than the military basis.

Sincerely,

Henry L. Stimson,
Secretary of War.

Although the military situation has greatly improved since the introduction of the Palestine resolutions last January 1944, the need for a Jewish homeland to rehabilitate and to restore to freedom and dignity those who have escaped Nazi tyranny and brutality has become even greater. These resolutions were widely regarded as a logical reaffirmation of the historic policy of the Congress, which, on June 30, 1922, unanimously resolved that the "United States of America favors the establishment in Palestine of a national home for the Jewish people."

During the past few months, the Republican and Democratic National Conventions at Chicago unanimously approved strong platform declarations in behalf of the Jewish homeland, and the candidates of the two parties, President Roosevelt and Governor Dewey,
JEWISH NATIONAL HOME IN PALESTINE

Each issued strongly worded statements standing foursquare upon their respective platform declarations.

After quoting the Democratic platform, President Roosevelt wrote:

Efforts will be made to find appropriate ways and means of effectuating this policy as soon as practicable. I know how long and ardently the Jewish people have worked and prayed for the establishment of Palestine as a free and democratic Jewish commonwealth. I am convinced that the American people give their support to this aim and if reelected I shall help to bring about its realization.

During last summer, sympathetic Senators and Representatives, representing more than three-fourths of the membership of both branches of the Congress, went on record in favor of this legislation; 77 Senators and 318 Representatives, from 48 States, gave their approval to the Jewish homeland. Your committee has published their views in a supplement to the hearings.

For the information of the Congress, there follows herewith the letter of President Franklin D. Roosevelt to Senator Robert F. Wagner, of New York, conveying his message to the forty-seventh annual convention of the Zionist Organization of America, on October 15, 1944:

Dear Bob: Knowing that you are to attend the forty-seventh annual convention of the Zionist Organization of America, I ask you to convey to the delegates assembled my cordial greetings.

Please express my satisfaction that, in accord with the traditional American policy and in keeping with the spirit of the "four freedoms," the Democratic Party at its July convention this year included the following plank in its platform: "We favor the opening of Palestine to unrestricted Jewish immigration and colonization, and such a policy as to result in the establishment there of a free and democratic Jewish commonwealth."

Efforts will be made to find appropriate ways and means of effectuating this policy as soon as practicable. I know how long and ardently the Jewish people have worked and prayed for the establishment of Palestine as a free and democratic Jewish commonwealth. I am convinced that the American people give their support to this aim and if reelected I shall help to bring about its realization.

Governor Thomas E. Dewey, of New York, the Republican candidate for President, also strongly endorsed the proposal in the following statement on October 12, 1944:

I heartily endorse the Palestine plank in the Republican Party platform. Again I repeat what I previously stated to the great leader of the American Zionist movement and distinguished American, Dr. Abba Hillel Silver, that I am for the reconstitution of Palestine as a free and democratic Jewish commonwealth in accordance with the Balfour Declaration of 1917 and the resolution of the Republican Congress in 1922. I have also stated to Dr. Silver that in order to give refuge to millions of distressed Jews driven from their homes by tyranny I favor the opening of Palestine to their unlimited immigration and land ownership.

The American people have time and again declared themselves in favor of these principles. The Republican Party has at all times been the traditional friend of the movement.

As President I would use my best offices to have our Government working together with Great Britain to achieve this great objective for a people that have suffered so much and deserve so much at the hands of mankind.

The free and democratic commonwealth in Palestine was heartily endorsed at the Republican and Democratic National Conventions
last summer. The statement of the Republican platform unanimously adopted at Chicago on June 27, 1944, is as follows:

In order to give refuge to millions of distressed Jewish men, women, and children driven from their homes by tyranny, we call for the opening of Palestine to their unrestricted immigration and land ownership, so that in accordance with the full intent and purpose of the Balfour Declaration of 1917 and the resolution of a Republican Congress in 1922, Palestine may be constituted as a free and democratic commonwealth. We condemn the failure of the President to insist that the mandatory of Palestine carry out the provision of the Balfour Declaration and of the mandate while he pretends to support them.

The plank in the platform of the Democratic National Convention adopted at Chicago on July 24, follows:

We favor the opening of Palestine to unrestricted Jewish immigration and colonization, and such a policy as to result in the establishment there of a free and democratic Jewish commonwealth.
DEPARTMENT OF STATE  
WASHINGTON  

December 5, 1944  

SPECIAL INFORMATION FOR THE PRESIDENT  

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

U.S. PARTICIPATION IN OCCUPATION OF AUSTRIA. Ambassador Winant is of the opinion that the U.S. should take over a zone in Austria as the only means of securing effective participation in the control of the country. His opinion is reflected in the expressed desires of the Soviet and British delegates to the EAC that the U.S. assume an equal share of the responsibility in occupying Austria. Winant notes that the British expect to use only one division in their zone.  

CONDITIONS IN RUMANIA. Both the British Political Adviser and the Chief of the British Delegation on the Rumanian Control Commission are now convinced that the Russians are directly intervening in the internal political affairs in Rumania and that unless the U.S. and Britain intervene Rumania will be Communized and, the experiment being successful here, the Russians will repeat it elsewhere. Maniu attributes Rumania's difficulties partly to the delay in the arrival of the American and British delegates.  

SOVIET REMOVAL OF EQUIPMENT FROM U.S. PROPERTIES IN RUMANIA. The Soviets contend that the oil refinery equipment removed by them from Rumania constitutes a military trophy and furthermore is not necessary for the maintenance of Rumanian petroleum production. The Russians make no reference
reference to the unilateral character of their action and some of their factual statements are disputed by British memoranda.

**KING PETER’S ATTITUDE TOWARD TITO-SUBASIC AGREEMENT.**
King Peter has told Armstrong that Mr. Churchill is now dissatisfied with Tito but the King nevertheless expects the Prime Minister to bring pressure to bear to make the King agree to the Regency proposed by the Subasic-Tito Agreement. King Peter, in strictest confidence, informed Armstrong that he will not accept the Regency despite British or Russian pressure.

**ITALIAN POLITICAL CRISIS.** In commenting on the program submitted by Commodore Stone, AFHQ states that the Italian Government should be required to give undertakings only with regard to Italy's commitments to the United Nations on the armistice terms and in regard to the institutional question. The British have expressed regret to Ambassador Winant that urgency required their unilateral action in intervening in the Italian Governmental crisis to block the appointment of Sforza as Foreign Minister.

**ITALIAN AMBASSADOR TO THE U.S.** This Government has informed Ambassador Kirk that if Sforza does not proceed to Washington, it would prefer the appointment of an Ambassador who is not a member of the Italian Government. The U. S. expects that an Italian Ambassador should be convinced of the necessity for Italian cooperation with the United Nations.

**EAC PREPARATIONS FOR THE CONTROL OF GERMANY.** The British delegate to the EAC has urged the adoption of the American draft proclamations and draft general order as a basis for discussion of additional requirements to be imposed on Germany. Great Britain also favors the U. S. draft directions.

**CONDITIONS IN BULGARIA.** Barnes reports political and economic deterioration in Bulgaria where the Communists constitute the only well-organized political group.
BRITISH ATTITUDE TOWARD ECONOMIC WARFARE. In announcing the dissolution of the Ministry of Economic Warfare, the British Government admits the necessity of maintaining economic warfare activities. The British regard the recent negotiations with Sweden as solving the problems there and have urged restraint in dealing with Switzerland whose position as a protecting power would be destroyed if she were obliged to break relations with Germany.

SWEDISH ASSISTANCE TO NORWAY. The Swedes' desire to assist the Norwegians by military action is limited by their wish to act independently and to avoid exceeding the bounds of "nonbelligerency".

GREEK CRISIS. The Greek Government is likely to become considerably more right-wing in composition when the six Cabinet posts vacated by leftists are filled, says Ambassador MacVeagh, who substantially confirms press accounts of the current disturbances in Athens.

SOVIET-IRANIAN CRISIS. The Iranian Government is being informed that the Soviet Government has been advised of the position taken by the U.S. with regard to the oil concessions controversy.

GENERAL HURLEY'S CREDENTIALS. Arrangements are being made for the communication of General Hurley's credentials as Ambassador by telegram to the Chinese Government.

MILITARY SITUATION IN CHINA. The Military Attache in Chungking is of the opinion that the eleven divisions and two brigades which the Japanese have in Southeast China are sufficient to accomplish any program that they may decide to adopt.

ACTION BY "ASSOCIATED NATIONS" TO BECOME "UNITED NATIONS". Special Assistant to Mr. Armour has left for north and west coast republics to discuss possible declarations of war and entry of those states into the United Nations.
BRAZIL AND SECURITY COUNCIL. Brazilian Foreign Office has expressed concern over impression gained in Washington by Brazilian Ambassador that Brazil may not get seat on Security Council.

VISIT OF PANAMANIAN FOREIGN MINISTER. Panamanian Foreign Minister Lewis will visit Washington December 11-13. Ambassador Warren will also be here.

BRITISH REFUSAL TO CUT TRADE WITH ARGENTINA. Eden states that British because of trials of British people cannot cut trade with Argentina. This reply to our inquiry on general British trade does not modify British position already taken on meat.
SPECIAL INFORMATION FOR THE PRESIDENT

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

GREEK CRISIS. Churchill's instructions to General Scobie are to treat Athens as if it were a conquered city experiencing a local rebellion. Scobie is to avoid any bloodshed if possible, but at the same time not hesitate to shed blood if necessary to neutralize or destroy the ELAS bands in and around Athens. Churchill also instructed Leeper that Papandreou must remain Premier and that political changes at present are unacceptable. The latest word from MacVeagh was on December 6, when he stated fighting had become so serious that his staff could not venture into the streets.

ITALIAN GOVERNMENTAL CRISIS. It now appears that Bonomi will be able to form a broadly based government, though the Action Party will apparently not join and the Socialists are still hesitating. The action of the Communists in supporting Bonomi was the decisive factor in his success. The American Government has stated to the British Government the reasons which made necessary the issuance of the American statement concerning the governmental crisis in Italy. It was pointed out that silence on our part would have indicated an agreement with a move which came without prior consultation and ran counter to American policy. Ambassador Kirk has been instructed to point out during informal discussions with the Italians that the Department's release is a policy statement and not a statement about personalities. It would be clearly a violation of American policy if any candidate were endorsed.
POSSIBLE EVACUATION OF AMERICANS FROM CHUNGKING. The Embassy at Chungking is making plans, in consultation with General Wedemeyer, toward the evacuation of American civilians and the removal of the Embassy from Chungking in case the advance of the Japanese makes such action necessary.

POSSIBLE VISIT OF GENERALISSIMO CHIANG TO THE FIGHTING FRONT. In the opinion of some well-informed Chinese in Chungking, Soong's appointment as Acting President of the Executive Yuan foreshadows the Generalissimo's departure for the front in an attempt to revitalize the Chinese forces by his presence. Soong is not expected, however, to exercise real power.

FRANCO-SOVIET CONVERSATIONS. The only known result of the Soviet conversations with de Gaulle is a proposal by Stalin for a military alliance for mutual protection against possible future German aggression. Negotiations to this end are under way and Bidault has stated that the treaty would "of course" be within the framework of the International Security Organization.

DISARMAMENT OF GERMANY. The European Advisory Commission has agreed to appoint a Committee of Experts to begin consideration of the disarmament and demilitarization of Germany.

DE-INDUSTRIALIZATION OF GERMANY. British officials are understood still to be disturbed over proposals for the "pastoralization" of Germany. They consider that the establishment of any political boundaries would be useless unless there were a corresponding establishment of economic boundaries.

BELGIAN POLITICAL SITUATION. The political tension is subsiding somewhat in Belgium although there are signs of Conservative opposition to the Pierlot Government's taxation program.
U.S. REPRESENTATIVE IN FINLAND. An American Political Representative will leave Stockholm for Finland in the near future. A resumption of normal relations with Finland is not implied by this action.

YUGOSLAV PRIME MINISTER'S VISIT TO MOSCOW. Subasic is expected to reach London in the near future. It is understood that he is well pleased over the results of his visit to Moscow.

RUSSIAN DIVERSION OF LEND-LEASE EQUIPMENT TO YUGOSLAVS. There is evidence to the effect that considerable quantities of Lend-Lease equipment are being turned over to the Partisans by the Russians. American trucks are much in evidence.

RESTRICTIONS ON U.S. REPRESENTATIVE IN RUMANIA. The denial to the American Political Representative in Rumania of code communication facilities has been made the subject of an approach to the Soviet Foreign Office. It is to be pointed out that the Soviet Government itself placed the American Representative in the same category as the Soviet Representative in Italy who has the privilege of direct code communication with his Government.

RESTRICTIONS ON U.S. MEMBERS OF CONTROL COMMISSION IN BULGARIA. Further restrictive measures applied to the British and American members of the Control Commission for Bulgaria include advance request to Moscow for permission to enter Bulgaria and the restriction of personnel to the inner City of Sofia.

CONDITIONS IN BULGARIA. The period of latent crisis within the Bulgarian Government persists. Bulgarian Government officials are stated to desire the union of Bulgaria and Yugoslavia, or, alternatively, a Balkan federation which would include Macedonia as an equal partner.
BRITISH POLICY IN SCANDINAVIA. Minister Johnson believes that the British are unhappy over recent American leadership in the Anglo-American policy toward Sweden and are attempting to strengthen their position in Scandinavia in order to revive their pre-war interest in that area. Johnson points out that the British have attempted to lead the Swedes to believe that Allied concessions are the result of British intervention and that extreme measures arise only from American initiative.

IRANIAN DISSATISFACTION WITH U.S. ECONOMIC ADVISER. Millspaugh is under very sharp attack by the Majlis again, and Premier Bayat has promised that his status will be settled within ten days.

SAUDI ARABIAN PIPELINE. Aramco officials have begun negotiations with the Palestine authorities for construction of a pipeline through Trans-Jordan and Palestine and for terminal facilities in Palestine.

ARGENTINE GESTURES. Further gestures from Argentina include closing of pro-Nazi daily Cabildo and reappearance of long-closed Liberal and Socialist weekly Argentina Libre.

PARAGUAYAN APPREHENSIONS. Paraguayan Foreign Minister believes Argentine Colonels are trying to cause change of government in Paraguay to facilitate Argentine-Paraguayan-Bolivian bloc.

NAVAL MISSION TO CHILE. Chile wants a U.S. naval mission rather than the British one being offered. Embassy supports request. The Foreign Minister has intimated availability to U.S. of base in Magellan Straits.

UNREST IN ECUADOR. Conditions in Ecuador indicate to Ambassador Scotten that violent revolutionary outbursts are a distinct possibility.
THE UNDER SECRETARY OF STATE
WASHINGTON

MEETING WITH THE PRESIDENT

1. SECRETARY HULL’S PROGRESS.

2. CUSTOMARY RESIGNATIONS OF APPOINTED OFFICIALS.
   (CHIEFS OF MISSION, ASSISTANT SECRETARIES, ETC.)
   Is it your wish to receive the customary resignations of appointed officials, Chiefs of Mission, Assistant Secretaries, etc.?

3. AMBASSADOR GAUSS.
   Successor to Ambassador Gauss.

4. AMBASSADOR ARMOUR AND AMBASSADOR WILSON.

5. LEND LEASE TO FRANCE.
   Matter now before Treasury Department. What action do you wish Department of State to take?

6.
6. INVITATION TO THE PRESIDENT AND SECRETARY TO VISIT PARIS.

Department has given Hoppenot interim acknowledgment in your absence. What would you like me to reply to the French?

7. SHIPMENT OF BUNA TO SWEDEN.

Do you approve backing up the Army and Navy position that Sweden must stop all traffic with Germany before we ship buna to Sweden?

8. UNITED STATES POSITION IN THE NEAR EAST.

Palestine situation. Resulting decline in American prestige among Arabs. Possible threat to American economic interest in Arabia. Aggressive Soviet policy. Do you wish to discuss Soviet attitude with Ambassador Harriman?

War Department has taken position that military considerations no longer controlling in Palestine matter. Do you wish the Department of State to back up this position in regard to Palestine resolutions in Congress?

9. TRUCKS FOR CHINA.

Department, Ambassador Harriman, and military authorities consulted feel request to Stalin for monthly quota of trucks for China should be deferred until first five hundred have passed through Russia.
10. **INDO-CHINA AND SOUTH EAST ASIA.**

The Department's attitude has been consistent with the policy expressed in your memorandum of November 3. Letters being prepared for your signature to the Secretaries of War and Navy in order to coordinate American policy.

11. **TREATMENT OF GERMANY.**

Status of plans for Germany.

12. **FEDERAL BUREAU OF INVESTIGATION.**

Investigating leaks. What is your wish?
SPECIAL INFORMATION FOR THE PRESIDENT

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

GREEK SITUATION. MacMillan is in Athens with full powers from Churchill to effect a settlement. He recognizes that Papandreou must go. Meanwhile both the British and ELAS are bringing up reinforcements, the British are hard pressed, and the food situation is very grave. Ambassador MacVeagh urges that ATC be forbidden to bring in British troops in U.S. planes, as has occurred in several cases.

PALESTINE. The Soviet Government will do nothing to support Zionism, the Soviet Minister in Beirut stated to the Iraqi Minister there, in discussing Soviet views on Arab matters.

DECLARATION OF WAR BY "ASSOCIATED NATIONS". U.S. conversations with Chilean President and Foreign Minister on declaration of war by American republics not members of United Nations are being held.

NAVAL MISSION TO CHILE. Ambassador Bowers has been told that a U.S. Naval Mission will be sent to Chile if a formal request is received.

MILITARY SITUATION IN CHINA. The Military Attache at Chungking believes that as long as the Japanese retain large armies in southeast China, the present campaign is far from ended. He further states that if the Japanese advance on Kunming, and effective aid is not supplied
supplied the Fourteenth Air Force, that Force may be obliged to evacuate its last remaining bases.

FREE THAI MOVEMENT. The Minister at Stockholm has received from the Thai Minister there a message purportedly from the Thai Regent (Pradit) at Bangkok for transmission to the Thai Minister in Washington urging the latter to organize and lead a free Thai government in the U. S. The Department proposes to deliver this message without comment. No decision has been reached as to the Department's attitude toward the establishment of such a government in the United States.

DEVELOPMENTS IN SINKIANG PROVINCE. The Chinese Minister-Counselor at Moscow has been ordered to Sinkiang for temporary duty in order to seek to arrange Sino-Soviet relations on a satisfactory basis. He is an expert in the Russian field, and he gave the impression to an American official that he suspected that the recent uprisings in Sinkiang were Soviet-inspired as a means of exerting pressure on the Chinese authorities.

ASSUMPTION OF OFFICE BY AMBASSADOR HURLEY. At the close of business on December 11 General Hurley took the oath as Ambassador to China and assumed charge as appointed Ambassador pending presentation of his credentials.

NEW ITALIAN CABINET. Bonomi is reported hopeful that the new Government will be more effective than the old. It is expected that the new Cabinet will take the oath of office on December 12.

MACMILLAN IN ITALIAN CRISIS. Stating that he was very dissatisfied with the way in which Sir Noel Charles had handled the situation in Italy, MacMillan informed the American Mission at Caserta that he will return to Rome as soon as possible in order to "take hold".
BADOGLIO. Although Badoglio is reported to have been greatly alarmed over rumors of his arrest, Bonomi has assured Kirk that there is no present danger of Badoglio's arrest.

SFORZA. Sforza has informed Kirk that he is aware that Churchill's "fury" was the consequence of the false position in which the Prime Minister found himself vis-a-vis America. Sforza has informed Bonomi that he will decide within a few days whether to accept the Washington Embassy post.

POLISH NATIONAL COMMITTEE. The President of the Polish National Council has declared that the Council will meet in Lublin on December 16 to consider declaring the National Committee of Liberation to be the provisional Government of Poland.

RUMANIAN DEVELOPMENTS. General Radescu has succeeded in forming an all-party Government. Maniu has urgently requested a statement of policy from the Western Allies and has declared he is better qualified than the Rumanian Communists to hand the country over to the Soviets if that is the intention of the Western Allies. Vyshinski has disclaimed Soviet territorial aspirations in Rumania and stated publicly that the three major Allies had pledged themselves to "return" Transylvania to Rumania.

YUGOSLAV DEVELOPMENTS. Mr. Churchill has addressed Tito pointing out the need for democratic elections to implement the agreement between Tito and Subasic. Tito was also told that the question of the survival of the monarchy must be determined by a plebiscite. Stalin has apparently said much the same thing to Subasic, urging the avoidance of Bolshevist experiments in Yugoslavia and urging free elections. Kirk is deeply troubled by the repeated failure of Tito to cooperate with the Western Allies and to make any public acknowledgement of their aid to Yugoslavia. Tito has agreed to meet Field Marshal Alexander together with Marshal Tolbukhin at Belgrade.
BULGARIAN INTERNAL SITUATION. The Communists in Bulgaria have obtained the annulment of the Government's decision to reintegrate into the Army "Fascist" officers and men. The Communists already control the Ministry of Interior, including Bulgaria's entire police force, and by obtaining control of the Army, it is believed they will be able to complete the September revolution.

BULGARIAN CONTROL COMMISSION. The formal institution of the ACC has been requested by the American delegate in view of the autocratic acts of the Soviet President of the ACC who has taken action in several cases in the name of but without reference to the Commission.

FINNISH-SOVIEFT RELATIONS. Despite some tension, the new Finnish Government is reported to be operating satisfactorily and the Soviets have shown no desire to control the Finnish Government. However, Zhdanov has impressed upon Paasikivi that there must be no question about the fulfillment of the reparations clause.
DEPARTMENT OF STATE
WASHINGTON
December 15, 1944

SPECIAL INFORMATION FOR THE PRESIDENT

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

GREEK SITUATION. Churchill has instructed MacMillan to work out a compromise. Papandreou is through, and Archbishop Damaskenos of Athens may succeed him. Alexander is considering a compromise proposal, providing for total disarmament of both left and right, to be followed immediately by an election under American and British supervision. The Ambassador believes ELAS will press to bring about a decision before more British reinforcements arrive.

U. S. POLICY IN POLAND. The American Embassy at Moscow has been informed that American relations with the present Polish Government will not be more than correct in view of that Government's apparent inability to reach an agreement with the Soviet Union. However, recognition of the Government in London will be continued and Ambassador Harriman has been authorized to indicate that the U. S. does not look favorably upon Soviet recognition of the Lublin Committee. The hope is expressed that at some future date Mikołajczyk may be induced to form a new Government which would permit a fresh approach to the Polish-Soviet difficulties.

BRITISH POLICY IN POLAND. The British coolness toward the new Polish Government continues and Eden has not yet received the new Foreign Minister.

WEST EUROPEAN BLOC. The British have formally denied to the Soviet Government press reports in regard to

DECLASSIFIED
State Dept. Letter, 1-11-72

By J. Schauble Date MAR 6 1972
British attempts to form a Western Europe bloc. The Soviet Government was informed that the material published is largely fantasy and that no blocs would be formed which did not entirely conform to the Dumbarton proposals. Molotov's expression of gratitude for the information appears to indicate that the Soviet Government had attached some importance to these reports.

**YUGOSLAV POLITICAL SITUATION.** The Tito-Subasic agreements, under which Tito would be Premier and War Minister and Subasic Foreign Minister, are held up pending King Peter's decision which hinges upon the provision for a Regency. It is understood that the King may delay his decision despite Churchill's advice that he should sign the agreements.

**TENSION BETWEEN BRITISH AND TITO.** Tensions between the British and Partisans continue, particularly over the Partisan objection to British war ships in Yugoslav harbors and the Partisan criticism of the British policy toward Greece. The latter subject is causing particular concern and McLean has had occasion to warn Tito of the possible serious consequences of any specific action.

**RUMANIAN POLITICAL SITUATION.** Subsequent to the formation of the new Rumanian Government there has been an easing of the internal political situation in which King Mihai believes Vyshinski to have played a part. However, the American representative feels that there has been no fundamental change in the basic differences between opposing elements. Although the Rumanian belief, which is apparently shared by the British, that the Russians have disciplined the Rumanian Communists may be correct, it is possible that pessimism has now given way to optimism.

**CONTROL COMMISSION IN RUMANIA.** The Soviet Deputy Chairman of the Rumanian Control Commission has stated that the Commission would follow the Italian pattern with the executive
executive work being carried out by the Soviet High Command and other representatives having a right to give and receive information and suggestions.

**CONTROVERSY OVER RUMANIAN OIL EQUIPMENT.** The British have formally denied the Soviet allegations regarding the removal of equipment from British owned oil companies. The British contend that surplus equipment may be requisitioned only if it is charged against Rumanian reparations payments and if the Rumanian Government affords compensation to the companies concerned.

**INTER-ALLIED DIFFICULTIES IN BULGARIA.** Concern persists over the exclusive Soviet operation of the Control Commission for Bulgaria. However, General Oxley, who planned to return to London to report on the situation, has been informed that it would not be desirable for him to do so at this time. The OSS military teams are leaving Bulgaria as a result of repeated Soviet representations.

**U. S. POLITICAL REPRESENTATIVE IN FINLAND.** The Soviet reply to the desire of the United States to send a political representative to Finland is still delayed.

**FOOD SITUATION IN ITALY.** A number of telegrams stress the necessity for improving the food situation in liberated Italy. The Supreme Allied Commander is making special wheat stocks available to Sicily, but General Clark has expressed concern over food conditions in the zone of operations and fears that unless the 300-gram a day bread ration is granted serious unrest may ensue. The Allied Commission has reaffirmed its recommendation that the Italian population be given a uniform ration of 300 grams of bread a day since this ration constitutes the minimum necessary for preventing disease and unrest. The President's recommendation is considered in Italy to be a promise.

Sforza's
SFORZA'S PLANS. Sforza has not yet decided to proceed to Washington and apparently desires some reassurance to overcome the "psychological delicacy" created in his mind by recent events.

TREATMENT OF BADOLLO. Kirk has been informed by his British colleague that the American and British Governments have agreed to facilitate Badoglio's departure from Italy if a formal request is made. Kirk assumes that American interest in this matter is military.

MEETING OF AMERICAN FOREIGN MINISTERS. Padilla has accepted the Department's proposal for a meeting outside Pan American Union of Foreign Ministers of American republics which have collaborated in the war effort. He proposes obtaining agreement of republics not recognizing Argentine regime before approaching the four that have recognized.

CONDITIONS IN EL SALVADOR. Conditions in El Salvador continue turbulent. Consultations among American republics indicate general desire not to recognize under any circumstances until after January elections. But regime may fall before then.

CUBAN TRENDS. Ambassador Braden is concerned over Cuban trend with Grua acquiescence toward extreme nationalism. He recommends study of problem in whole hemisphere by meeting of American Foreign Ministers.
MEMORANDUM FOR THE PRESIDENT

Subject: Japanese Broadcast

Admiral Leahy and the Joint Chiefs do not like the idea of a broadcast by the Secretary of State to the Japanese people. You will recall Elmer Davis suggested this and we have been working on it.

We shall therefore do nothing further on the matter unless you feel that it should be done despite this opposition.

[Signature]

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

Subject: Supplies for Liberated Countries.

You will recall my wire last week on the importance of providing shipping to carry supplies to liberated countries.

In that connection, I thought you would be interested in reading the attached cables from Caffery and from Sawyer which illustrate the importance of this question.
Secretary of State,

Washington.

839, December 12, 4 p.m.

As set out in my telegram No. 806, December 5, 6 p.m.

the French are feeling a little smug over the fact that while France is so quiet Greece is in turmoil, Belgium is disturbed and even Holland is a little disturbed too.

Our military authorities here are particularly pleased that although disturbances have occurred in Greece and Belgium order is being maintained in France. (There are of course still isolated exceptions). They know that it would be far more serious for our war effort to have disorder here than it would be in any other country in Europe. The results for our forces at the front might be very serious indeed.

With these factors in mind I desire to invite attention to the importance of obtaining the maximum of civilian supplies for France. If the French civilian population were to become disaffected by reason of
exaggerated lack of raw materials of fuel or food we might be compelled to face a very bad situation indeed; the possibility of disorder along our lines of communication which supply our troops in the front line.

Also as I have remarked before it is clearly in the interest of the United States to see France stand on her feet again. There is an economic aspect involved; it will hardly be possible for us to maintain our present standard of living if we lose too many of our world markets: we do not want to lose our continental European markets. If France does not stand on her own feet again; does not remain independent and does not regain her strength and prosperity; France will fall under the domination of another power. If France falls under the domination of another power all the smaller countries of Western Europe will fall also. In that case it is very possible that we would lose a good part of our continental markets especially if the dominating power imposed another economic system throughout the continent.
Brussels
Dated December 13, 1944
Rec'd 1:13 p.m., 16th

Secretary of State,
Washington.

161, December 13, 5 p.m.

Reference food supply. Discussions with authorities here including SHAEF indicate critical shipping problem may lead Allied authorities in Paris or Washington to cut down food shipments into Belgium. For the next few weeks army has undertaken to supply 2,000 calories per day. In my judgment it is essential from every standpoint that this commitment be met. I expressed this opinion to General Morgan of SHAEF main. I cannot too strongly urge desirability of utilizing part of either British or American army stores which are at least if not more than adequate and in addition or in lieu thereof part of accumulated stocks for Holland which cannot now and may not for several months be used due to flooding of Holland by Germans. To Department. Please repeat to London and to Paris for Reber.

A temporary investment of food supplies and shipping will in my judgment bring tremendous dividends.

DECLASSIFIED
State Dept. Letter, 1-11-72

By J. Schaubel Date MAR 6 1972
both in the military field and in the avoidance of
irritating and perhaps tragic civilian problems in this
country. We barely escaped these a few weeks ago --
Greece is having them now. Belgians are critical of
food and cigarettes being given German prisoners while
they themselves are on the verge of starvation.

Political situation at the moment quiet but if
food problem is not adequately met I predict serious
trouble. The requirements of food and shipping to
solve Belgian problem is so small relatively and the
benefits from furnishing them are so large actually I
hope this matter will be given most serious and imme-
diate attention by the highest authorities.

The British Ambassador is making a similar
representation to his government today.

SAYER

RR
MEMORANDUM FOR THE PRESIDENT

December 18, 1944

Subject: Results of Vyshinsky’s Visit to Rumania

I believe you will be interested in the enclosed telegram from Berry in Bucharest transmitting King Michael's comments on the favorable outcome of Vyshinsky's visit to Rumania.

Enclosure:

Telegram no. 54, December 12, 1944, from Bucharest.
This telegram must be closely paraphrased before being communicated to anyone.

Bucharest
Dated December 12, 1944
Rec'd 9:15 a.m., 14th.

Secretary of State,

Washington,

54, December 12, 9 a.m.

After luncheon Sunday I had an hour's talk with the King. He was pleased that Vyshinsky had left in a favorable frame of mind and was relieved that the government crisis had passed without popular disturbance.

King said when Vyshinsky made his farewell visit he had said that when he came to Rumania a month ago he was dissatisfied with Rumanian efforts to fulfill the terms of the armistice; that during his stay here he had been able to correct many impressions; and now at the time of his departure he was pleased with the Rumanian action in fulfilling the armistice terms.

Repeated to Moscow.

Vyshinsky said the Soviet Government supported King Michael. It had no desire to see Rumania become a Communist state, but it did desire a neighbor which was friendly. Finally Vyshinsky said his government

DECLASSIFIED
State Dept. Letter, 1-11-72
By J. Schaubie Date MAR 6 1972
December 12, 9 a.m. from Bucharest.

government was very satisfied with the new Rumanian Government and a government of technicians would have been "impossible".

King told me the tone of this interview was on a much more pleasant plane than the first which was accompanied with scowls and thinly-veiled menaces. He said Vyshinsky congratulated him upon his handling of the government crisis and he had high hopes that affairs would now settle down as he understood Vyshinsky had talked to some of the more viperous Communists and had advised them against stirring up trouble.

King was optimistic upon chances of new government's maintaining order. He said the Prime Minister had shown himself firm and in two instances (those mentioned by Maniu and reported in my 52, December 9, 7 p.m.) he had taken immediate action to rectify a situation that might have grown troublesome. He said local Communists have taken quite a different attitude in the last few days and that he felt that their bluff had been called since they had learned from conversations with Vyshinsky that they could not have the support of the Red Army and since they had seen from the firm action of the Prime Minister that he was ready for a showdown.

BERRY
THE SECRETARY OF STATE
WASHINGTON

December 19, 1944

MEMORANDUM FOR MISS GRACE TULLY

Attached is a copy of one of the special information bulletins that I have been sending the President.

It would be helpful for me to know whether these are useful to the President, and whether he would like for me to continue sending them along to him.

E.B.
SPECIAL INFORMATION FOR THE PRESIDENT

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

GREEK SITUATION. MacMillan is in Athens with full powers from Churchill to effect a settlement. He recognizes that Papandreou must go. Meanwhile both the British and ELAS are bringing up reinforcements, the British are hard pressed, and the food situation is very grave. Ambassador MacVeagh urges that ATC be forbidden to bring in British troops in U.S. planes, as has occurred in several cases.

PALESTINE. The Soviet Government will do nothing to support Zionism, the Soviet Minister in Beirut stated to the Iraqi Minister there, in discussing Soviet views on Arab matters.

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in the U. S. The Department proposes to deliver this message without comment. No decision has been reached as to the Department's attitude toward the establishment of such a government in the United States.

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**ASSUMPTION OF OFFICE BY AMBASSADOR HURLEY.** At the close of business on December 11 General Hurley took the oath as Ambassador to China and assumed charge as appointed Ambassador pending presentation of his credentials.

**NEW ITALIAN CABINET.** Bonomi is reported hopeful that the new Government will be more effective than the old. It is expected that the new Cabinet will take the oath of office on December 12.

**MACMILLAN IN ITALIAN CRISIS.** Stating that he was very dissatisfied with the way in which Sir Noel Charles had handled the situation in Italy, MacMillan informed the American Mission at Caserta that he will return to Rome as soon as possible in order to "take hold".

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**Finnish-Soviet Relations.** Despite some tension, the new Finnish Government is reported to be operating satisfactorily and the Soviets have shown no desire to control the Finnish Government. However, Zhadanov has impressed upon Paasikivi that there must be no question about the fulfillment of the reparations clause.

PC: CWY: KEL

E.R. STETTINIUS, JR.
SPECIAL INFORMATION FOR THE PRESIDENT

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

GREEK CRISIS. The King is opposing, and the British Foreign Office hesitates to press him to accept, the proposal to appoint Archbishop Damaskenos as Regent. Papandreou, apparently thinking of his own political future, also opposed the idea, after first giving the impression he was in favor of it. AFHQ information is that ELAS is in control of four-fifths of the Greek mainland. Kirk hears that the Right is nervous, the Left confident the British will eventually desist. Even the Right is resentful of British tactics.

UNITED YUGOSLAV GOVERNMENT. Churchill and Eden are ready to accept the Tito-Subasic agreement, in spite of King Peter's objection to the Regency, but Eden has asked the U.S. Government's views before he takes definite action.

U.S. REPRESENTATION IN BELGRADE. An American observer is being sent to Belgrade to report on the situation there and to look after American interests. This appointment has no political significance and does not constitute recognition of the governing authority in Belgrade.

YUGOSLAV CLAIMS ON ITALY. The Acting Foreign Minister for the Partisans has stated that friendship between Italy and Yugoslavia will depend upon the incorporation of Isonzo Valley and Istria into Yugoslavia.
SOVIET ATTITUDE TOWARD AUSTRIA. The Embassy at Moscow believes that a recent Soviet editorial implies that, before Austria will be recognized by Russia as a liberated area, the country must make a definite contribution toward the Allied war effort.

PURGE OF BULGARIAN ARMY. Barnes reports that the Commander of the Bulgarian Armies is cooperating fully with the Communists in their purge of the Bulgarian Army and that he does not believe that the Bulgarian Army will be of any assistance to the Bulgarians who wish to preserve their country from Communization.

BULGARIAN MILITARY ASSISTANCE TO SOVIETS. In reply to a request for two more Bulgarian infantry divisions for active operations, the Bulgarians desire to send a delegation to the Soviet High Command to point out that they are unable to equip or maintain additional forces.

NATIONALIST MOVEMENT IN RUTHENIA. The Czech Ambassador in Moscow has informed Ambassador Harriman that there is a growing Ukrainian Nationalist movement in Ruthenia.

FURTHER U.S. PROTEST ON SOVIET REMOVAL OF RUMANIAN OIL EQUIPMENT. The Department has instructed the Embassy at Moscow to present to the Soviet Government, independently of any British approach, the American views on the Soviet removal of petroleum equipment from Rumania. The expressed Soviet point of view on this matter is not accepted by the Department as valid.

BRITISH ATTITUDE TOWARD FRANCO-SOVIET PACT. The British, although annoyed over French failure to keep them informed, are reported to believe that the Soviet-French pact constitutes a constructive element in European politics. De Gaulle is reported to have been enraged by the suggestion that the pact be tripartite.
SOVIET ATTITUDE TOWARD ZIONISM. The Soviet Government will not support Zionism or Zionist aims in Palestine, our Embassy in Moscow believes. Absence of comment on the matter in the Soviet press would seem to indicate either that no settled, final line has yet been adopted on the highest level or that there is reluctance at this time to state such a line.

SACRED AGREEMENT WITH ITALIAN PARTISANS. The British have expressed displeasure to their representative at Caserta over the bilateral agreement signed by the Supreme Allied Commander with the Italian Partisans. They believe that a tripartite agreement, including the Italian Government, should have been made, and that the Supreme Allied Commander should be able to denounce the agreement at any time should Resistance elements prove not to be representative of a majority of the Italian people.

BADOLLO. Upon receipt of assurances from Sforza that his case is not being referred to the purge court, Badoglio has decided to remain in Italy.

GALAPAGOS AGREEMENT. Our Embassy in Quito has been informed by Galo Plaza that the proposed agreement for the Galapagos base is entirely unacceptable to the Ecuadoran Assembly. Informal suggestion has been made that there be presented a new text in simpler terms subject to subsequent elaborations by amendment after the political furor has subsided.

RECOGNITION OF SALVADORAN REGIME. The liberal uprising in El Salvador appears to have failed. Tied to the future Foreign Ministers Meeting as it is through Mexico's attitude, the question of our recognition of a Salvadoran government is becoming a real problem.
LATIN AMERICAN LABOR CONGRESS. The Latin American labor congress adopted resolutions, in support of Argentine labor opposition to "Colonels", for continental work stoppage on January 25. It resolved also that congress was prepared to cooperate with the Catholic Church when the Church's social policy is proven to be democratic.
THE SECRETARY OF STATE
WASHINGTON

December 21, 1944

Dear Miss Tully,

Thank you for your message relative to resumes of international political affairs. I shall accordingly continue to send them along.

With Holiday greetings,

Sincerely yours,

Miss Grace Tully
The White House
Washington, D. C.
SPECIAL INFORMATION FOR THE PRESIDENT

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

GREEK SITUATION. The King is opposing a Regency in spite of the recommendation of his Ministers in Athens. It is believed in Caserta that the British wish to settle politically almost at any cost, Kirk says, but the gloves are off in regard to military operations.

GERMAN COUNTEROFFENSIVE. Reports reaching our Legation at Bern indicate that German leaders, convinced that Allied military and civilian morale had sunk to a low level this autumn, planned the present major counteroffensive as a prelude to making peace overtures to a discouraged and disorganized Britain and America.

DE GAULLE-STALIN CONVERSATIONS. The French Foreign Minister has told Caffery that during the Moscow conversations de Gaulle, whose impression of Lublin Poles was most unfavorable, emphasized to Stalin the French desire to an independent Poland. He also expressed the French hopes for the establishment of an international organization to cover the left bank of the Rhine and Ruhr with "predominantly French influence" on the French border. Neither Mediterranean nor Balkan problems were discussed and Stalin covered French participation in the control of Germany only in general terms. Caffery was assured that the Franco-Soviet treaty would be integrated into a general world organization.
Bidault denied reports that understandings relating to post-war economic and arms problems had been reached at Moscow.

**MODIFICATION OF ITALIAN SURRENDER TERMS.** Ambassador Kirk has been informed of the recommendations of the American members of the Combined Civil Affairs Committee which include the abrogation of the surrender instrument and the substitution of an interim convention to terminate the state of war, agreements to protect Allied military interests in Italy, divorcing of AMG activities from the advisory functions of the Allied Commission, elimination of civil affairs section of the Allied Commission and the further demilitarization of the AC in such a way that the Chief of Staff would no longer be involved in its organization.

**EAC AND POLISH GOVERNMENT.** The Polish Government will not be included among those with which a Committee of the EAC will discuss the instrument of German surrender.

**HUNGARIAN COMMUNISTS.** Members of the native Hungarian Communist Party, which is to be distinguished from the official Stalinist group, are reported by Kirk to have declared their willingness to refuse to take orders from Moscow and to join the Western Allies if the latter will extend support to an independent Hungary.

**RUMANIAN PURGE.** The Radescu Government is proceeding with the arrest of all Cabinet members who served between December 1937 and August 1944. Some are to be tried for their responsibility for preparing Romania for war on the Nazi side; others will be tried as war criminals.

**UNITED YUGOSLAV GOVERNMENT.** The proposed united government of Yugoslavia would be headed by Tito as Prime Minister and the Communist Kardelj as Minister for the Constituent Assembly, according to a report from Ambassador Patterson.
BELGIAN POLITICAL SITUATION. It is reported that a plan is under way for the fusion of the Communists, Socialists and Christian Democrats into a single party. In consequence, the Socialists will abandon their efforts to increase their representation in the Government.

ATC TO SWEDEN. In declaring that the Swedish Government was prompted by political considerations only in denying our application for the establishment of an ATC base in Sweden, Foreign Minister Gunther has told Minister Johnson that the application would be reconsidered if resubmitted in a few months without certain provisions of a semimilitary nature which infringed upon Swedish sovereignty.

ECONOMIC RELATIONS WITH SWITZERLAND. In view of Swiss action in further limiting exports to Germany and transit traffic through Switzerland, our Legation recommends that certain Swiss-owned stocks of raw materials in this country be released and urges that restrictions on traffic between Switzerland and Spain be lightened.

AMBASSADOR HURLEY REMAINS IN CHUNGKING. Ambassador Hurley has decided to remain in Chungking as his departure for the U.S. under present conditions might be misinterpreted. The Department has asked him to telegraph the substance of the report he proposed to deliver personally.

BRAZIL ON WORLD SECURITY COUNCIL. Brazil is being informed of the impracticability of our pressing its claim to a permanent seat on the proposed World Security Council. Our support is promised, however, for a nonpermanent seat.

U.S. NAVAL MISSION IN CHILE. Formal request has been received from Chile for a U.S. Naval Mission.

FRANCO-ARGENTINE RELATIONS. Argentina is trying to obtain French recognition. Personnel of French Mission in Montevideo is friendly to "the Colonels". The French Goodwill Mission to Latin America wants to visit Argentina.
MILLSPAUGH. Millspaugh has reached an agreement with the Iranian Government to continue as Financial Administrator but with his broader economic powers repealed.

VISIT TO U.S. OF FAMILY OF SHAH. Three brothers of the Shah, a sister, a niece and a lady-in-waiting are due in Washington within the next day or two. The brothers are on their way to enter V.M.I., and the ladies also desire to be placed in some appropriate educational institution.

MEETING OF IBN SAUD AND FAROUK. King Ibn Saud will hold a meeting with King Farouk of Egypt at Yenbo.

ANGLO-ETHIOPIAN AGREEMENT. The agreement with the British was finally signed. There is no report yet as to Ethiopian sentiment, but they were so indignant at last-minute changes by the Foreign Office that, until the last day or two, it seemed that the treaty might be again held up indefinitely.
MEMORANDUM FOR THE PRESIDENT

Subject: Mr. Hamilton Fish Armstrong

As you know, Hamilton Fish Armstrong has been in London serving under Ambassador Winant for the last two months with the rank of Minister. He is now returning to America and I think he would be most useful to us in the Department.

Would you approve of giving him an assignment in the Department here in Washington?

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

Carbon of this memorandum, initialed by the President, as above, returned to the Secretary of State, 12/26/44.
December 23, 1944

MEMORANDUM FOR MISS TULLY

As promised, I hand you herewith the original of the work sheet from which I talked to the President.

I also attach a memorandum with numbers corresponding to those on the work sheet, indicating actions agreed upon. In certain cases memoranda are involved, and I also attach those. The general memorandum will indicate the treatment which I believe should be given to the memoranda.
DEPARTMENT OF STATE
WASHINGTON

December 20, 1944

MATTERS TO DISCUSS WITH THE PRESIDENT

Top Items

1. Voting in Security Council - Harriman has received inquiries from Soviet Foreign Office and we from British Embassy here, indicating both governments are working on your message - If this drags further, we will shortly recommend follow-up messages.

2. Conference on Conservation of Natural Resources - May I have your approval to proceed experimentally on area basis - Meeting in North Africa on Near and Middle East and Africa - One in this hemisphere.

3. Governor Sewell of Maine


5. Economic Treatment of Germany - Has President had an opportunity to revise our memorandum?

6. Pentagon

7. Pawley

8. O.S.S. - Donovan on his own purchasing material in Stockholm - Finns - Soviet codes.

10. General de Wavrin (Colonel Passy) - Biddle asks why in country - Donovan brought him over.


13. Dulles - His desire to take a trip to Russia on church matters.

14. Statement of Policy - Recommend that you make a statement on this before leaving country, perhaps as a part of the state of the nation message to Congress, and that I follow with another somewhat more detailed statement on this subject - Do you approve?

15. Palestine - The next step - Recommend discussion at Big Three meeting - We might propose that British begin consultation with those concerned, including Arabs and Jews, preliminary to a discussion with us and Soviets - Also might suggest British consider formulating and announcing immigration policy for period immediately following White Paper quota exhaustion.

16. Saudi Arabia - Financial assistance by Congressional appropriation - War and Navy approve - Important to our national interests (strategic location - oil - military facilities) - Lend Lease not available for purpose after this fiscal year - You have already approved in principle - Also Export-Import Bank give approval of intent to loan for long range development projects.

17. King Ibn Saud - Moose tells us King is very much counting on a visit from you.

18. Baruch - Trip.


DECLASSIFIED
State Dept. Letter, 1-11-72
By J. Schaubel Date MAR 7 1972
20. **Soviet-Iranian Relations - Free Port and Railway Trusteeship** - We would like better idea of your plans as to timing, procedure, and approach to other countries in view of difficulties Department foresees with Iranians, Soviets, and British.

21. **Jean Monnet - French lend lease and long range financial arrangements - Question of handling with other agencies** -
DEPARTMENT OF STATE
WASHINGTON

December 26, 1944

1. Voting in the Security Council - The President agreed that if we received affirmative answers from the Russians and the British, it would be appropriate to send out invitations for a general international security organization conference in March.

2. Conference on Conservation of National Resources - This was not discussed in detail. I told the President we had sent him a memorandum on this subject which I thought would be more satisfactory than our previous one. This memorandum has already been sent to the White House and is with you now.

3. Governor Sewell of Maine - He had offered his services to the Department. The President did not have anything in mind at the moment which would appeal to him.

4. William Phillips - The President indicated it would be agreeable for us to use him in any way, except in India.

5. Economic Treatment of Germany - The President indicated he was still working on our memorandum on this and that he expected to send his suggestions to us soon.

6. Pentagon - The President did not like a suggestion which had been made to me and which I passed along that after the war the Pentagon should be used as headquarters for State, War and Navy. He feels the old State building should be modernized and the annex built across the street.

DECLASSIFIED
State Dept. Letter, 1-11-72
By J. Schaubie Date MAR 1972
7. **Pawley** - We had a private discussion on this matter.

8. **O.S.S.** - The President instructed me to see that the Russians were informed at once. I am handling the matter and will later inform him exactly what has been done.

9. **Drew Pearson** - I recited the steps which have been taken to get to the bottom of the most recent "leak".

10. **General de Wavrin (Colonel Passy)** - The President expressed the view he should never have been allowed in the country and that we must get him out. (He is now in Latin America, but on his return we shall take steps to get him back to France immediately.)

11. **Edwin Wilson** - The President approved the appointment of Mr. Edwin Wilson as Ambassador to Turkey. The necessary papers on this will be sent over promptly.

12. **Blair House** - The President approved my suggestion that the State Department should make whatever use of Blair House we feel desirable in connection with the conduct of our business.

13. **Dulles** - We had a private discussion about Mr. Dulles.

14. **Statement of Policy** - I reported that we were working with Sam Rosenman to prepare a section on foreign policy for the state of the nation message to Congress.

15. **Palestine** - We talked generally on this subject.
16. **Saudi Arabia** - The President approved asking a congressional appropriation for direct financial aid.

You will wish the attached memorandum on this subject for your records. It would be helpful if you could obtain an initial on one copy and return it to us.

17. **Ibn Saud** - I explained to the President the importance King Ibn Saud attaches to a visit.

18. **Baruch** - I suggested to the President that Baruch might be useful to us by making a trip abroad. He was in general agreement.

19. **Bohlen** - The President expressed the opinion that the new liaison arrangement was splendid.

20. **Soviet-Iranian Relations** - Free Port and Railway Trusteeship - We did not discuss this. I will bring it up the next time we are together.

21. **Jean Monnet** - The President concurred in the view that the State Department should coordinate the negotiations of foreign missions of this type in their dealings with various Departments of the Government.
In a memorandum from the Secretary of State dated April 3, 1944, which you approved, it was recommended that lend-lease funds be used for the extension of increased economic assistance to Saudi Arabia and that subsequently Congressional approval be sought for the provision of direct financial aid.

Largely because of wartime conditions, Saudi Arabia is experiencing budgetary deficits. These may be expected to continue for the next few years until oil royalties and a revival of normal trade provide sufficient sources of revenue to meet essential governmental expenditures. Meanwhile Saudi Arabia is dependent for survival upon help from abroad. If such help is not provided by this Government, undoubtedly it will be supplied by some other nation which might thus acquire a dominant position in that country inimical to the welfare of Saudi Arabia and to the national interest of the United States.

An American national interest, basically strategic in character, exists in Saudi Arabia for the following reasons:

1. A strong and independent Saudi Arabian Government in the Near East, where
two great world powers come in contact, is less likely to fall victim to war-breeding aggression than a weak and disintegrating state vulnerable to economic and political penetration.

2. The vast oil resources of Saudi Arabia, now in American hands under a concession held by American nationals, should be safeguarded and developed in order to supplement Western Hemisphere oil reserves as a source of world supply.

3. The military authorities urgently desire certain facilities in Saudi Arabia for the prosecution of the war, such as the right to construct military airfields and flight privileges for military aircraft en route to the Pacific war theater.

King Ibn Saud has indicated that he prefers to rely upon the United States for the assistance his country needs and that he would adopt a much more independent attitude toward third countries if he were assured that this Government will extend adequate aid on a long-range basis. This cannot be done through lend-lease (a) because the Foreign Economic Administration is unwilling to continue it beyond the present fiscal year; and (b) because there is no assurance in any case that lend-lease would be available on a long-range basis.

Your approval is requested of the following steps to be taken in order to enable this Government to extend adequate long-range assistance to Saudi Arabia for the purpose of affording protection to the American national interest in that country and of obtaining wartime facilities urgently needed there:

1. That
1. That the Congress be requested to appropriate funds for use in meeting the urgent financial requirements of Saudi Arabia to the extent deemed necessary by the Secretary of State;

2. That the Secretary of State inform the President of the Export-Import Bank that you desire the Bank to make a commitment in principle of its intention to extend, after the necessary study, development loans to finance long-range projects for the improvement of economic conditions and living standards in Saudi Arabia;

3. That the military authorities, after consultation with the Department of State, give immediate consideration to such projects as it may be advisable for them to undertake promptly in Saudi Arabia in order to provide interim assistance by means of such measures as the construction of airfields and related installations, the dispatch of training missions and equipment, and the construction of strategic roads, together with other facilities.

The Secretaries of War and the Navy concur in the foregoing proposals.
SUPPLEMENTARY NOTE TO MEMORANDUM FOR THE PRESIDENT ENTITLED
"PROPOSALS FOR THE EXTENSION OF LONG RANGE FINANCIAL
ASSISTANCE TO SAUDI ARABIA."

It cannot be stated with certainty at this time the funds which will be needed to meet the urgent financial requirements of Saudi Arabia. It is estimated, however, that the budgetary deficits of the Saudi Arabian Government will continue for approximately five years. If the war should continue for several years more and if the return of normal trading conditions should be delayed unduly, the maximum sum to meet these deficits is estimated at $57,000,000. Should the war end in the near future, and should more favorable economic conditions obtain, only about $28,000,000 will be needed. A reasonable expectation, however, is that the sum of $43,000,000 will suffice to meet these budgetary deficits over a five-year period until Saudi Arabia becomes financially self-sufficient.
DEPARTMENT OF STATE  
WASHINGTON  
December 26, 1944  

SPECIAL INFORMATION FOR THE PRESIDENT  

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

GREEK CRISIS. There has been no word from either Athens or Caserta about Churchill's arrival in Greece, reported in the press today. Earlier telegrams are belated and indicate generally a continuation of the virtual stalemate. MacVeagh believes that only the royalist Popular Party and the King himself, who puts the interests of his dynasty before everything else, are now blocking a regency. MacVeagh also thinks the British seriously underestimated both the military problem and the temper of the people.  

POLICY TOWARD INDOCHINA. An official of the British Foreign Office mentioned to an officer of our Embassy in London a request made by the British Government in August for our approval of a French Military Mission to be sent to the Southeast Asia Command and expressed concern that the American Government had not yet decided upon its policy with respect to Indochina. The British official was fearful that circumstances in connection with Indochina might arise which would place the British and American Governments in an awkward position if previous agreement had not been reached.  

MEETING OF AMERICAN FOREIGN MINISTERS. The State Department has proposed to the other American republics that a meeting, without Argentina, on war and post-war problems be
be held about February 1, outside Pan American Union framework. Decision on Argentine request for hearing could be made at end of this meeting, thus keeping Pan American Union free from political questions. The U.S. proposal stresses possibility of future economic collaboration and need for inter-American discussion of related problems.

**POLITICAL UNREST IN BRAZIL.** Arrests of prominent Brazilian anti-Vargas personalities has caused concern in Brazil. Action is first of its kind in years.

**HUNGARIAN ARMISTICE NEGOTIATIONS.** Ambassador Harriman reports that the Soviet Ambassador in Washington will submit an aide memoire regarding the formation of a "Provisional Government" in Hungary. This "Provisional Government" has asked for an armistice and the Russians are expected to propose early resumption of discussion of armistice terms.

**YUGOSLAV POLITICAL SITUATION.** Ambassador Patterson has been instructed in regard to discussions with King Peter and Subasic on the formation of a new Government under the Tito-Subasic agreements. He is to state that, although the principles contained in the agreements are considered to be in general accord with those subscribed to by the American Government, no opinion can be expressed regarding the prospects of their effective implementation since much will depend on the good will of the persons in a new Government. The Ambassador is to restate the fact that the American Government has consistently defended the right of the Yugoslav peoples to work out their own form of Government without foreign interference and has opposed the imposition of the rule of any one group over other groups. The Ambassador was instructed not to express opinions in regard to particulars of the agreement or its supplementary texts.
The Ambassador was informed of the Department's belief that a refusal by the King to accept the agreements would lead Tito to repudiate the Government-in-exile and ask for recognition of his organization. Such a development would make necessary a reexamination of the entire situation.

**BULGARIAN CONTROL COMMISSION.** The American political representative in Bulgaria has been instructed to furnish specific information on a number of points including Soviet dominance of the Control Commission in order that appropriate representations may be made to Moscow if circumstances warrant.

**ALLIED RELATIONS IN BULGARIA.** The Soviet Government has disapproved of the formation of an Advisory Council in Bulgaria stating that the Italian precedent does not apply.

**RUMANIAN REPARATIONS.** Ambassador Harriman has been instructed to withhold representations in regard to the valuation of Rumanian reparations deliveries. Although the Department still considers that this matter should be settled on a tripartite basis, Rumanian acceptance of 1938 prices makes it difficult to force the issue on this point.

**RUMANIAN OIL EQUIPMENT.** Ambassador Harriman has proposed the establishment of a tripartite commission to survey the Rumanian oil industry in the light of Soviet seizure of oil refinery equipment.

**BRITISH ATTITUDE TOWARD FRANCO-SOVET TREATY.** The British Foreign Office considers that the French-Soviet treaty does not give as clear support to an International Security Organization as the Anglo-Soviet treaty which by implication would lapse upon the creation of such an organization. However, the Foreign Office does not believe that the French-Soviet treaty contravenes the spirit of the Dumbarton Oaks proposals.

DECLASSIFIED
State Dept. Letter, 1-11-72
MINISTRY
By J. Schaubie Date MAR 7 1972
MINISTRY OF ECONOMIC WARFARE. It is understood that Churchill has decided to continue the Ministry of Economic Warfare after December 31.

INSTRUCTIONS TO BRUSSELS EMBASSY. Should events make it necessary for the Belgian Government to leave Brussels, the Embassy has been instructed to follow the Government.

RIOTS IN EGYPT. Though quelled, riots over a rumor that Britain might be considering separating the Sudan from Egypt may recur.
DEPARTMENT OF STATE
WASHINGTON
December 29, 1944

SPECIAL INFORMATION FOR THE PRESIDENT

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

PROPOSED ESTABLISHMENT OF REGENCY. Churchill has departed for London to tell King George that he must immediately appoint the Archbishop as Regent. A Regency is said to be favored by all groups in Greece except a few extreme rightists, and all representatives at the political conference voted unanimously in favor of its establishment. The Archbishop apparently feels that he can form a non-political or "care-taker" government which will be sufficiently left to have the confidence of EAM.

ELAS EXCESSES. ELAS Communist leadership is apparently giving free rein to the most irresponsible part of the Greek population, MacVeagh reports. ELAS bands, composed mostly of youthful armed hoodlums of both sexes, have taken thousands of hostages, including elderly people and children whose only crimes are that they own property, hold rightist views or are related to persons falling within those categories, and have sent them into the hills where their suffering is apparently intense.

TURKEY ASKED TO BREAK RELATIONS WITH JAPAN. The Turks were to be requested on December 28, in aide-memoires to be left with the Foreign Minister by Steinhardt and his British colleague, to make a concrete contribution to the Allied victory against Japan by breaking relations with that country.

RECOMMENDED REAPPRAISAL OF SUPPLY SITUATION. Our Embassy in Buenos Aires has urgently recommended a new appraisal.
of the policy of this government regarding the Argentine supply situation on the grounds that the September policy of export controls is a failure and its maintenance in the present circumstances is contrary to our interests in as much as the British are disregarding the policy both with regard to exports from Great Britain and from South Africa, Spain and Switzerland. As the principal supplier of essentials for the maintenance of the Argentine transport and utility systems, we are underwriting the stability of basic Argentine industry and British investments while our own exporters are being kept out of the market.

MEETING OF FOREIGN MINISTERS. Informal replies, all favoring the Department's proposal for a meeting of Foreign Ministers to be held without Argentina for the discussion of war and post-war problems, have been received from Chile, Brazil, Cuba, Peru, Dominican Republic, Uruguay and the Central American governments with the exception of Guatemala and El Salvador.

POSSIBLE DECREASE IN COFFEE SUPPLIES. The political aspects of the coffee situation and the position of Brazilian banks which have been financing coffee are causing great concern in the Brazilian government. Government financing of coffee may be arranged which would withhold supplies from the market and make rationing necessary in the United States.

FORMATION OF A FRENCH CORPS FOR FAR EASTERN SERVICE. Supreme Headquarters (AET) has informed the French General Staff that it has no objection to the formation by the French of a corps in southern France for Far Eastern (Indochina) service on condition that the corps not interfere with Allied lines of communication and that the French furnish their own equipment. This information has been sent to the Secretaries of War and Navy and General Donovan with the suggestion that they consider whether American participation in this action is consistent with the President's instructions concerning Indochina.
PLEA FOR ARMS FOR FRENCH DIVISIONS. Bidault has reiterated his pleas to Caffery that America urgently furnish additional arms for French Divisions. He points to insidious rumors that America is unwilling to have France participate actively in hostilities.

DENIAL OF PLANS FOR BRITISH ALLIANCE. Bidault has denied to Caffery that there is any truth in London news reports that Massigli was presenting a draft treaty of an alliance to the British Government.

FRENCH REQUEST FOR GERMAN MATERIAL AND EQUIPMENT. The French Government has addressed SHAEF requesting allocation of certain materials and equipment found in German territory occupied by the Allied armies. Raw materials and essential manufactured goods are desired to serve in the reconstruction of French economy.

FRENCH ELECTIONS. The Consultative Assembly has been informed that elections can not take place before the end of April.

FRENCH DELEGATE TO LUBLIN COMMITTEE. The French Press has announced that France would send a delegate to the Lublin Committee principally to safeguard the interests of French prisoners who are being liberated in Poland as the Soviet forces advance. The Lublin Committee is sending a delegate to the French Government in return.

DISCUSSION OF ARMISTICE TERMS FOR HUNGARY. The Department has indicated to the Soviet Embassy the willingness of this Government to participate in discussions of an armistice to be granted to the provisional national Government of Hungary and has authorized Ambassador Harriman to join in such conversations with Soviet officials and the British Charge in Moscow. The Russians have submitted a draft armistice which is being studied by Harriman. He has been informed that the Department is as yet unable to make a definite statement of its position regarding formal recognition of the provisional Hungarian Government.
pending further examination of its composition and aims. He has also been informed that the delays attendant to discussing the armistice have not affected our position regarding reparations. The British Charge has told Molotov that his Government also has definite views concerning reparations.

**KING PETER'S RECEPTION OF AMERICAN VIEWS ON TITO-SUBASIC AGREEMENT.** King Peter has welcomed Ambassador Patterson's exposition of the American position regarding the Tito-Subasic agreement. He informed Patterson that he wishes personally to select Regents in order to assure fair treatment for all the peoples of Yugoslavia.

**RESUMPTION OF ITALIAN RELATIONS WITH BULGARIA AND RUMANIA.** Italy has requested permission to resume diplomatic relations with Bulgaria and Rumania.

**SOVIET DOMINANCE OF CONTROL COMMISSION.** In the opinion of an American political observer, American participation in the Allied (Soviet) Control Commission for Bulgaria provides a screen behind which the Russians may take any decisions which please them with respect to all aspects of Bulgarian life.
MEMORANDUM FOR THE PRESIDENT

Subject: Inter-American Financial and Economic Advisory Committee

In view of the great political significance of the economic factor in this Hemisphere, I recommend that Mr. Nelson A. Rockefeller, Assistant Secretary of State in Charge of American Republics Affairs, be appointed to represent the United States Government in place of Mr. Berle on the Inter-American Financial and Economic Advisory Committee.

I also recommend the continuance as general alternate member of Mr. Emilio G. Collado, Chief of the Division of Financial and Monetary Affairs, and as alternate for Subcommittee V on Postwar Problems Mr. William A. Fowler, Chief of the Division of Commercial Affairs.

If you approve these designations, I shall be pleased to so inform the Advisory Committee.

[Signature]

DEPARTMENT OF STATE
WASHINGTON
December 29, 1944

[DECCLASSIFIED]
State Dept. Letter, 1-11-72
MAR 6 1972
MEMORANDUM FOR THE PRESIDENT

Subject: Reply to letter from Catholic Archbishops

Reference is made to my memorandum of December 15, 1944, outlining the conversation I had with Archbishops Mooney, Stritch and Spellman during which they expressed apprehension concerning developments in the international field.

There is attached for your consideration a suggested reply to the letter addressed to you which the Archbishops left with me. Their letter is also enclosed.

Enclosure:

Reply to letter of December 13 from Archbishops.
By Dear Archbishop:

Thank you for the letter of December 13, signed by you, the Archbishop of Chicago, and the Archbishop of New York, expressing your ideas on the question of establishing an enduring world peace and American participation in an international organization to attain this end. I have given most careful consideration to the thoughts expressed in your letter and appreciate your courtesy in making available to me the benefits of your considered opinion.

I most heartily concur with you that we must collaborate with Great Britain, the Soviet Union and the rest of the United Nations on the basis of justice if we are to attain a peace that will endure. I can assure you that I have this aim constantly in mind in all my efforts to use the full influence of the United States to attain this goal which is so desired by every American. I shall persevere in this effort.

Very sincerely yours,

The Most Reverend
Edward Mooney,
Archbishop of Detroit.

As far as the records show, the original of this draft was never sent.

A.C.T.
3/20/45
Mr. President:

The Catholic Bishops of the United States in their recent meeting asked us to place before you our hopes and our fears. They are anxious to support your efforts in making a just and enduring peace and in maintaining it through a sound and effective international organization. Through all the hardships and sacrifices of this war they have kept in mind your inspiring words: "We shall win this war and in victory we shall seek not vengeance but the establishment of a world order in which the principles of Christ will rule the hearts of men and nations."

The Bishops have followed with sympathetic interest the efforts of our Government to secure common action by the United Nations in the interest of enduring world peace. They feel that you have shown great patience in trying to remove obstacles to honest, fair collaboration on the part of Great Britain, the Soviet Union and the United States. That in the discussions of the United Nations there should appear differences of opinion and apparent conflicts of interests is not strange. It would, however, be a catastrophe for the common good of all nations if the reconciliation of these differences and conflicts should be made at the price of justice. As you have said so often, the peace must be a just peace. The whole world has hung on your words and looks to our country to be the fearless, strong protagonist of justice and right.

Certain recent happenings in Europe seem to substantiate the widespread suspicion that the Soviet Union is disregarding justice in its peace policies and is bent on pursuing a unilateral course of action which is the very antithesis of fair collaboration. In all frankness we bear witness to the growing feeling among our people that Soviet policy is defeating our American war aims. Marshall Stalin was trained and reared in the school of revolutionaries who plotted the overthrow of all the governments of the world and the establishment of a world domination of Communism. In him there is distrust for nations who do not accept Communism, or who at least are not complacent in the face of its activities in their internal lives. He does not make the distinction, which we make, between Russia and Communism. Friendship for Russia in his mind involves friendship for Communism. He is seeking
to establish the domination of the Soviet Union over other nations by promoting, subsidizing and directing Communist minority groups in other countries which aim at full political control.

It is not true that Communism is merely an economic system, nor is it true that in the countries outside of Russia its development represents an indigenous growth. It is a Soviet Union activity directed and subsidized, where necessary, from Moscow. Communists everywhere take their line from Moscow and set themselves directly against the principles that are fundamental in every democratic government. Their activities cannot be viewed with the complacency with which we are disposed to regard mere political differences in the internal lives of other nations. With an absolute control in Russia which goes far beyond the absolutism of any of the Czars, Marshall Stalin is evidently working for the domination of Russia in the countries of Eastern and Southeastern Europe. These countries count many millions of Catholics in their population and for that very reason the Americans we represent are particularly resentful of a policy which would bring them under ruthless, atheistic foreign domination. They simply cannot forget that the Atlantic Charter with the clarification which you, Mr. President, gave it in regard to religious liberty, was the highest inspiration for our total war effort. We entered this war with a clear conscience. We have contributed richly and decisively to the defense of Russia against Nazi aggression, just as Russia's heroic stand has contributed to our safety. It would be a tragic thing if disillusionment threw our people back upon a policy of isolationism which, to say nothing of our international obligations, offers no effective security for our country. But if America justifies Russian aggression, how can that disillusionment be prevented?

The Bishops wish to assure you, Mr. President, that they have no desire to create difficulties in our relations with the Soviet Union. There are incompatible differences between our democratic political creed and Communism. Despite these differences, however, the Bishops wish to keep in mind the distinction between Russia and Communism and they want our country to recognize the rights of Russia and to collaborate with Britain and the Soviet Union on the basis of justice in the planning and maintenance of the peace. They are convinced that a strong stand for justice in our relations with the Soviet Union is a postulate for our winning of the peace and for setting up an international organization which will command the support of our people. The Bishops are very close to their people and they are alarmed at the first beginnings of a feeling of disillusionment which is appearing among the masses of our citizens. They want our country to be the bulwark of right and justice and to discharge happily its heavy responsibility in these momentous times.
Mindful of the heavy burdens which rest upon you, Mr. President, we assure you that we are praying incessantly to God to give you the light and the strength to lead the nations of the world into the ways of peace and security.

Very sincerely yours,

Edward Mooney
Archbishop of Detroit

James A. Orr
Archbishop of Chicago

The Honorable Franklin D. Roosevelt
President of the United States
The White House
Washington, D.C.
MEMORANDUM FOR THE PRESIDENT

Subject: Visit with Catholic Bishops

Archbishops Spellman, Mooney, and Stritch called on me yesterday for a general discussion.

They are apprehensive of the trend of events, particularly as to the motives and activities of the Soviet Union. They are concerned about the fate of various eastern European countries, and while they indicate they would like to support the plans for the world organization, they intimate they would hesitate to do so if it were to be built in such a way as to maintain the injustices which they fear.

I did my best to indicate to them that our experience with the Soviet Union thus far in the war did not lead us to believe that the sinister results they fear would follow.

They left with me a letter addressed to you which generally outlines the points I have made above. We will prepare a very careful reply to this for you and send it to you for your consideration in the near future.
MEMORANDUM FOR THE PRESIDENT

Subject: American Public Opinion on Recent European Developments.

I. GENERAL

Increased public confusion and disillusionment have developed as a result of:

1. Events in Europe -- relating to Greece, Italy, Poland -- which the public interprets as British and Russian attempts to create "spheres of influence" and as desertion of announced peace aims, such as the Atlantic Charter.

2. Lack of unity among the United States, Britain and Russia, resulting from supposed differences in objectives, as well as methods.

3. Doubts as to the effectiveness of U.S. diplomacy vis-a-vis our Allies, despite the vast national contribution to winning the war -- 11 million in uniform, and hundreds of billions of dollars, including lend-lease.

II. REACTION TO EUROPEAN DEVELOPMENTS

A. GREECE American opinion was shocked by the spectacle of armed conflict between the British and Greeks, and strongly reacted against British action. Some improvement in the attitude toward Britain has followed the Athens visit of Churchill and Eden; but suspicion remains that Churchill seeks to dominate the Greek Government against the will of the Greek people; and many reserve judgment pending results of the negotiations.

B. ITALY
B. ITALY A sharp decline has taken place in public discussion of British policy in Italy during the past fortnight; but American opinion clearly disapproves of British policy, being especially critical of the "failure" to utilize the consultation machinery of the Allied Commission.

C. POLAND Preponderant American opinion is not categorically opposed to Russian acquisition of territory in pre-1939 Poland: it is opposed to Russian acquisition of Polish territory without Polish consent.

Comment on the recent statement by Churchill on the Polish situation was unfavorable because Britain and Russia were regarded as settling the problem without regard to Polish wishes. Many strongly urged an early Big Three meeting to arrive at a solution of the Polish and other European questions. It is believed that American opinion would be satisfied should such a meeting be able to develop an agreement on the boundary issue between Russia on the one hand, and on the other a Polish government composed of Premier Mikolajczyk and possibly others of the London government together with elements of the Lublin Committee. Any agreement reached with the Lublin Committee as now constituted would probably not be regarded by American opinion as expressing the will of the Polish nation.

D. GENERAL ATTITUDES TOWARD BRITAIN AND RUSSIA

1. Resentment at the apparent absorption of European nations in "power politics" has been very widespread. Confidence in our British and Russian allies has declined. Public feeling during December turned sharply against the British. For instance, an opinion survey shows that of those "dissatisfied" with Big Three cooperation (about one-third of the public), 54% now blame England as compared with 33% in April. On the other hand, 18% now blame Russia as compared with 44% in April.

2. Less than 6 out of 10 of the public (during the third week of December) believed that the British "are doing
doing all they possibly can to win the war"; while in early December, 8 out of 10 believed that the Russians were doing all they possibly could. However, increasingly the press has been asking for a new Russian offensive.

3. Another survey in December revealed, however that the public remains more "trustful" of the possibilities of post-war cooperation with Britain than with Russia.

III. REACTION TO U.S. POLICY

American opinion strongly supported the Secretary's statement of December 5 relating to liberated areas. However, considerable criticism has focused on alleged "inadequacies" of U.S. policy -- including (1) "failure" to issue a "clear and full" statement of policy respecting European problems, and (2) "failure" to promote constant and adequate consultation among the Big Three.

Especially since the German break-through, American opinion has increasingly urged an end to Allied "diplomatic bickering".

Asked whether "recently liberated countries such as Italy and Greece should be allowed to work out their own governmental problems without interference from the three big Allied countries -- England, Russia and the United States -- even if civil war results", it was found that,

56% said "yes"
33% said "no"

IV. DECLINE IN PUBLIC CONFIDENCE

The following results of an opinion survey reveal a significant decline in public confidence in the conduct of our foreign policy in the past six months:

"Do you think that this country's interests abroad are being well taken care of by the President and other government
government officials, or do you think other countries are taking advantage of us?

<table>
<thead>
<tr>
<th>June (second week)</th>
<th>Late Oct. early Nov.</th>
<th>Dec. (third week)</th>
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<tbody>
<tr>
<td>&quot;Well taken care of&quot;</td>
<td>64%</td>
<td>53%</td>
</tr>
<tr>
<td>&quot;Others taking advantage&quot;</td>
<td>24</td>
<td>32</td>
</tr>
<tr>
<td>No opinion</td>
<td>12</td>
<td>15</td>
</tr>
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The June poll occurred just after the invasion of France. The December poll followed the recent "disturbing" events in Europe.