

● PSF

State Dept. : Welles Oct. 1937-38<sup>April</sup>

Published in

Foreign Relations of the U.S.

1939 Vol. I, General

pp. 665-667

DEPARTMENT OF STATE  
THE UNDER SECRETARY

October 6, 1937

MEMORANDUM

The situation in the world today and the imperative need for the peace loving nations to endeavor to take common action to secure the establishment of foundations for the maintenance of peace could not be better described than by these sentences from the President's Chicago speech:

"The peace loving nations must make a concerted effort in opposition to those violations of treaties and those ignorings of humane instincts which today are creating a state of international anarchy and instability from which there is no escape through mere isolation or neutrality.

"Those who cherish their freedom and recognize and respect the equal right of their neighbors to be free and live in peace, must work together for the triumph of law and moral principles in order that peace, justice and confidence may prevail in the world. There must be a return to a belief in the pledged word, in the value of a signed treaty. There must be recognition of the fact that national morality is as vital as private morality."

No one can today affirm that such a thing as international law exists or that there is any common agreement on the part of the so-called civilized nations of the world upon the fundamental standards which should and must govern the relations between nations if world order is to be restored.

PSF: Welles  
P.F.  
Welles

Is it not possible that before any definite progress can be made towards the solution of the innumerable and grave ills with which the world today is afflicted--and by this I mean the solution of all of the pending political, armament, financial, and economic problems which must be solved if world peace is to be attained--that an attempt should be made to secure general international agreement as to the fundamental norms which should govern international conduct?

If such bases were to be agreed upon by common international consent, is it not likely that that agreement upon common standards will both expedite and facilitate the practical agreements necessary to reestablish peace in the world?

I therefore suggest for the President's consideration that he inquire of the other governments of the world whether they will be willing to take part in a world conference which he will be prepared to call because of the reasons above indicated for the purpose of attempting to achieve a common agreement upon the following questions.

1. The basic principles which should be observed in international relations (as, for example, noninterference in the internal affairs of other nations).

2. The laws and customs of land warfare.
3. The laws and customs of naval warfare.
4. The rights and obligations of neutrals both on land and at sea, except in so far as they may be restricted by existing international agreements.
5. The right of freedom of access on the part of all peoples to raw materials.

The first of these five points covers by implication the whole field of international law. I do not suggest that any attempt be made at the conference proposed to undertake the codification of international law. This might well be delegated by common agreement to expert committees appointed for that purpose. What I do suggest is that this first point embrace those principles which are of primary and present importance.

If this suggestion is given consideration, it should be made clear beyond any doubt that the proposal envisages solely the reaching of a common agreement upon standards of international conduct and does not embrace either political, economic, or financial adjustments.

On this basis I should assume that the non-dictatorial governments would be willing to cooperate. I should likewise assume that Germany and Italy would find it to their advantage to cooperate. Under present conditions

it would appear improbable that Japan would take part.

From the standpoint of an improved world psychology it would appear to me that a very great advance would be attained if the overwhelming majority of the nations could reach an agreement upon such principles because of the inherent need for the reestablishment of those principles, and that, in addition thereto, the mere fact that the nations of the world today could by concerted action agree upon anything of vital importance would in itself be a material step forward.

DEPARTMENT OF STATE  
THE UNDERSECRETARY

*P. T.  
Summer Miller*

October 9, 1937.

MEMORANDUM

With relation to the suggestion contained in my memorandum of October 6, the President on October 8 expressed his belief that the matter might be handled in the following manner:

1. The question should be dealt with independently of any other conference, consultation, or exchange of views.

2. The first approach should be for the Government of the United States to indicate to every other government of the world its belief that international agreement should be had upon the five points listed on pages two and three of the memorandum of October 6, and this indication should be undertaken through diplomatic channels.

3. When replies are received to these original communications and it becomes thereby evident that an agreement is had as to the measure proposed, the United States would announce its willingness to the other governments to cooperate with a smaller group of powers in order that this smaller group might by common agreement elaborate the principles of international relation-

ships and the standards of international conduct believed to be desirable and necessary. The United States to assume the responsibility of determining the membership of this smaller group.

4. When a determination is reached by this smaller group upon the questions submitted, the findings will be communicated by the United States through diplomatic channels to the other governments of the world not represented in the smaller group.

5. If it is then ascertained that the great majority of the governments of the world are in accord, it will be determined whether this agreement shall be ratified by means of a world conference called specifically for that purpose or whether formal agreement shall be arrived at through diplomatic channels.

*file personal?*

*PSF*

DEPARTMENT OF STATE  
WASHINGTON

January 5, 1938.

My dear Mr. President:

With further reference to Mr. Hull's nomination for the Nobel Peace Prize, I have now taken the matter up with the governments of all of the American republics and with certain European governments, namely, Great Britain, France, Belgium, Switzerland, Czechoslovakia, and Finland. I shall also discuss it with the Ambassador of Poland when he returns and with the Ministers of Hungary, Yugoslavia, and the Netherlands.

I have so far been advised that the Governments of Chile, Peru, Bolivia, Venezuela, Costa Rica, Nicaragua, Honduras, and Guatemala have already taken steps to place the name of Mr. Hull in nomination for the Award. I am likewise advised by the Belgian Ambassador that the King of Belgium is proposing the name of Mr. Hull. I have not yet had replies from the other governments above referred to. Both Dr. Nicholas Murray Butler and General

The President,

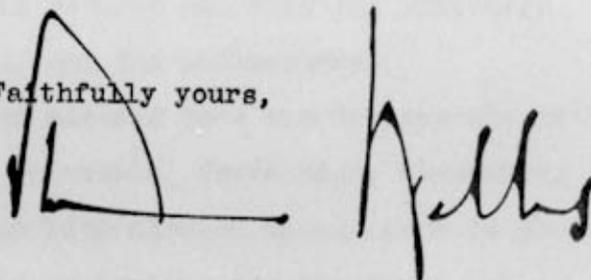
The White House.

Dawes have written me that they, as prior recipients of the Prize, have already placed Mr. Hull's name in nomination.

In my last letter to you on this subject I suggested that you might care to send your personal letter nominating Mr. Hull for the Award to the Department for transmission to the Nobel Prize Committee in Oslo through our Minister in that capital. Will you let me know if this is the procedure you have in mind. As you remember, the nominations must be in the hands of the Committee before the first of February next and since the time is short, I venture to ask if you have as yet reached any decision in this matter.

Believe me

Faithfully yours,

A handwritten signature in black ink, appearing to read 'A. Hull'. The signature is written in a cursive style with a large, prominent initial 'A'.

PST  
Welles  
1



PST

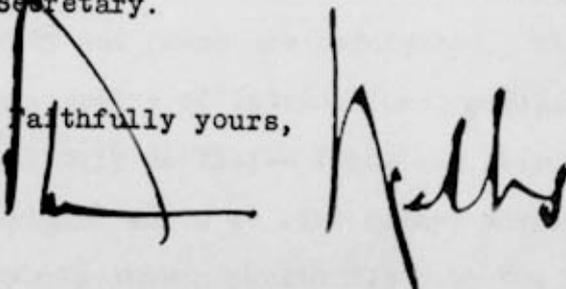
DEPARTMENT OF STATE  
WASHINGTON

January 7, 1938

My dear Mr. President:

I enclose herewith the draft which you desired of a message to the Congress transmitting your recommendations for naval construction. This draft is approved by the Secretary.

Believe me

Faithfully yours,  


Enclosure:  
Draft.

The President,  
The White House.

In my message to the Congress of January 3rd, I stated that "in a world of high tension and disorder, in a world where stable civilization is actually threatened, it becomes the responsibility of each nation which strives for peace at home and peace with and among others to be strong enough to assure the observance of those fundamentals of peaceful solution of conflicts which are the only ultimate bases for orderly existence."

Nations have been accustomed to look upon international treaties and conventions as part of the system by which their security and peace are reinforced. With such a belief in the sanctity of international obligations, the need of military defensive force was less pressing. In the world in which we live today, however, recent events have deeply shaken public faith in the binding nature of international obligations. Treaty violations have occurred; as a result each nation has been obliged to take stock of its position to ascertain whether guarantees previously considered effective are in reality adequate. As faith in the sanctity of treaties diminishes, so must each nation take adequate precautions to defend itself.

We in America believe in the sanctity of treaties.

In full cognizance of the present state of the

We are convinced that in these abnormal times an adequate defensive force will make it more probable that our rights and treaties to which we are parties will be respected.

For a number of years the United States has earnestly endeavored in cooperation with other nations to bring about a stabilization of armament through limitation and reduction. Those efforts have thus far proved unavailing but the necessity for such measures is daily becoming more compelling and this Government is determined to continue to strive to bring them about. World progress will be impeded in so long as the nations do not have the wisdom and foresight to agree among themselves to cease their competition in armaments. In the present circumstances, however, it is essential that the United States maintain its relative defensive strength.

James Madison must have had in mind a situation such as exists today when he wrote in THE FEDERALIST: "If one nation maintains constantly a disciplined army ready for the service of ambition or revenge it obliges the most pacific nations who may be within reach of its enterprises to take corresponding precautions."

In full cognizance of the present state of the

world, I submit to the Congress of the United States  
the following recommendation for naval construction.

MEMORANDUM

New Naval Building Program

1. Increase the present authorized tonnage of combatant ships by 20%.

The result of this increase would be as follows:

3	Additional Battleships
2	Additional Aeroplane carriers
8	Additional Cruisers
25	Additional Destroyers
9	Additional Submarines

TOTAL 47

2. The construction provided by the above increase to be undertaken during the next five years.
3. An authorization for approximately 1,000 additional aeroplanes.
4. An authorization for 42 auxiliary ships.
5. The cost to be approximately one billion dollars.
6. An authorization for an appropriation of \$15,000,000 to be made available for experimental purposes in the development of small ships not exceeding 3,000 tons.
7. This new navy building program will require an increase of approximately 1200 officers and 20,000 enlisted men.
8. The increased officer strength will require five appointments to the Naval Academy.

A B I L L

To establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That in addition to the tonnages of the United States Navy as agreed upon and established by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, and as authorized by the Act of March 27, 1934 (48 Stat. 503), as amended by the Act of June 25, 1936 (49 Stat. 1926), the authorized composition of the United States Navy in underage vessels is hereby increased by the following tonnages:

(a) Capital ships, one hundred and five thousand tons, making a total authorized underage tonnage of six hundred and thirty thousand tons;

(b) Aircraft carriers, thirty thousand tons, making a total authorized underage tonnage of one hundred and sixty-five thousand tons:

(c) Cruisers, sixty-eight thousand seven hundred and fifty-four tons, making a total authorized underage tonnage of four hundred and twelve thousand five hundred and twenty-four tons;

(d) Destroyers, thirty-eight thousand tons, making a total authorized underage tonnage of two hundred and twenty-eight thousand tons;

(e) Submarines, thirteen thousand six hundred and fifty-eight tons, making a total authorized underage tonnage of eighty-one thousand nine hundred and fifty-six tons.

Sec. 2. The President of the United States is hereby authorized to undertake such construction, including replacements, as is necessary to build the Navy to the total authorized underage composition as provided for in section 1 of this Act.

Sec. 3. The President of the United States is hereby authorized to acquire or construct additional Naval airplanes, including patrol planes, and spare parts and equipment, so as to bring the number of useful Naval airplanes to a total of three thousand.

Sec. 4. The President of the United States is hereby <sup>further</sup> authorized to acquire or to undertake the construction of the following auxiliary vessels:

(a) Five destroyer tenders, a total of forty-five thousand tons light displacement tonnage;

(b) Three submarine tenders, a total of twenty-seven thousand tons light displacement tonnage.

(c) Four large seaplane tenders, a total of thirty-three thousand two hundred tons light displace-

ment tonnage;

(d) Seven small seaplane tenders, a total of eleven thousand five hundred and fifty tons light displacement tonnage;

(e) Three repair ships, a total of twenty-eight thousand five hundred tons light displacement tonnage;

(f) Two minelayers, a total of twelve thousand tons light displacement tonnage;

(g) Five minesweepers, a total of three thousand five hundred tons light displacement tonnage;

(h) Five fleet tugs, a total of six thousand two hundred and fifty tons light displacement tonnage;

(i) One survey ship, three thousand tons light displacement tonnage;

(j) One hospital ship, nine thousand tons light displacement tonnage;

(k) Four oil tankers, a total of thirty-two thousand tons light displacement tonnage;

(l) Two store ships, a total of eighteen thousand tons light displacement tonnage.

Sec. 5. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this Act.

Sec. 6. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of fifteen million dollars to be expended at the direction of the President of the United States for the construction of experimental vessels none of which shall exceed three thousand tons standard displacement.

Sec. 7. The allocation and contracts for construction of the vessels herein authorized and the replacement thereof, as well as for the procurement and construction of airplanes and spare parts, shall be in accordance with the terms and conditions provided by the Act of March 27, 1934 (48 Stat. 503) as amended.

Sec. 8. The Act of August 29, 1916, as amended by Section 1 of the Act of July 22, 1935 ( U.S. Code, Supp., title 34, sec. 2), is hereby further amended to read as follows:

"That the total authorized number of commissioned officers of the active list of the line of the Navy, exclusive of commissioned warrant officers, shall be equal to 5½ per centum of the total authorized enlisted strength of the active list, exclusive of the Hospital Corps, prisoners undergoing sentence of discharge, enlisted men detailed for duty with the Naval Militia, and the Flying Corps."

Sec. 9. For the purposes of this Act, the term "underage" shall be construed in accordance with the terms of the Treaty signed at London, March 25, 1936.





THE WHITE HOUSE  
WASHINGTON

January 7, 1938.

*file  
private  
1/8/38*

MEMORANDUM FOR

THE UNDER SECRETARY OF STATE

Some way, somehow we must stop the leaks in regard to the Diplomatic appointments. It is becoming a positive scandal. I realize, of course, that there was much general conversation about Kennedy and Wilson, even though Arthur Krock swears he got the Kennedy tip from the State Department. Yesterday the Star had the story about Davis going to Brussels. I have not mentioned the subject to anyone -- even the White House staff. And on top of it comes the telegram from Bogota that Des Portes is to go to Colombia.

I do not know who handles these things down the line in the State Department, but I think the time has come to announce that if in the future there is any leak, everybody down the line will be sent to Siam!

F. D. R.

PSF: Welles

DEPARTMENT OF STATE  
WASHINGTON

January 10, 1938.

My dear Mr. President:

I have just received your memorandum of January 7 with regard to leaks in the State Department in the matter of diplomatic appointments.

If there have been any leaks to the press coming from the Department of State, I wish to assume entire personal responsibility therefor. Since your last memorandum to me upon this subject, the entire procedure with regard to the handling of diplomatic appointments in the Department has been changed. Under present arrangements, no officer of the Department, with the exception of the Secretary and myself, knows of the diplomatic appointments which you intend making until it is time for the nominations to be made out. The telegrams requesting agréments are dictated by myself and handled by one trusted officer in the Code Room. When nomination papers have to be made out, I ask Mr. Howland Shaw, the Chief of the Bureau of Foreign Personnel, to handle this himself. Consequently, under present conditions there are approximately only

The President,

The White House.

six individuals, including the Secretary and myself, in the Department who are familiar with the diplomatic appointments to be made. So far as one can be humanly sure of anything, I am sure that any leaks to the press with regard to the last diplomatic appointments you sent to the Senate have not come from this Department.

With regard to Joe Davies' appointment to Brussels, you will remember that I asked for the agrément from the Belgian Government over two weeks ago and informed the Belgian Ambassador here simultaneously. About a week after that time I asked the Ambassador to hasten the agrément, and he asked me what he should say to the constant inquiries which were being made of him as to whether or not it was true that Mr. Davies was going as Ambassador to Belgium. I asked the Ambassador to keep the matter entirely confidential and to make no comment until you had made an appropriate announcement from the White House. I mention this to indicate to you that rumors of Joe Davies' appointment to Brussels have been current in Washington for many days past, and I myself have seen frequent references in the press during that period to the appointment. These rumors did not emanate from this Department, I am sure.

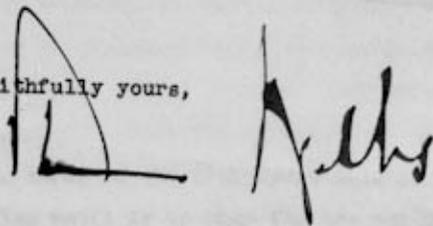
Finally, with regard to the report from Bogotá that Des Portes is to go to Colombia, you will remember that last summer you selected Spruille Braden as the next

Minister to Colombia, and Mr. Braden was advised accordingly. He has been kept on at the Chaco Conference because of the acute situation which has developed there, but as soon as the new government of Argentina is inaugurated on February 20 next, with the probability of a new Argentine Foreign Minister, the Secretary and I believe that he should at once proceed to his new post. The press report with regard to Des Portes, of course, is therefore entirely incorrect.

Forgive my taking up so much of your time with this statement, but inasmuch as I feel personally responsible I wanted you to know that I did not believe that any official in the State Department is in any way responsible for this leakage.

Believe me

Faithfully yours,



*file private*

*W.F. Miles*

DEPARTMENT OF STATE  
WASHINGTON

January 10, 1938.

My dear Mr. President:

In your confidential memorandum to me of December 22, commenting upon the letter of December 17 which Norman Armour had written me from Ottawa and which I sent you for your information, you told me that you wished the matter followed up and that you thought the Dominion Government could well send an army man and a navy man here confidentially to talk "off the record" to some of our Army General Staff and Navy Operations people.

When Norman Armour was here in Washington last week I told him of your wishes and said that I felt the only safe way for him to carry out your instructions was to have a personal talk with MacKenzie King.

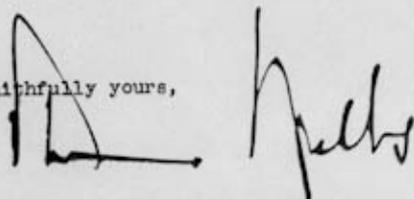
I have just now received a letter dated January 8 from Norman Armour, telling me of what he has done, and I am sending you this letter since I think you will wish

The President,  
The White House.

to read it.

Believe me

Faithfully yours,

A handwritten signature in black ink, consisting of a stylized first name followed by a surname. The first name appears to be 'M.' and the surname is 'Hells'.

Ottawa, Canada,

January 8, 1938.

PERSONAL AND CONFIDENTIAL

Dear Sumner:

I went to see the Prime Minister last evening in order to tell him about my transfer to Chile, and during the course of our talk he gave me a very good opening to raise the question of west coast defense by showing me a letter dated December 21st last, written to him by the President, in which the President had expressed the hope that Mr. King could come down to Washington in the near future, as there were several questions he thought it would be useful to talk over, including the general world situation, and particularly the Far Eastern situation.

Mr. King said that in his reply he had informed the President that for the moment it would be difficult for him to get away, particularly as he feared his presence in Washington might cause some conjecture

with

The Honorable  
Sumner Welles,  
Under Secretary of State,  
Washington, D. C.

with regard to trade agreement matters, but that if he could arrange to get away perhaps later in the winter or early in the spring, after Parliament, which opens January 27th, was well under way, he would certainly do so.

With this opening I told Mr. King that so far as questions regarding the Pacific were concerned, I felt sure I knew one of the questions which the President would like to discuss with him, and then went on to outline the matter as set forth in the President's memorandum to you in connection with my letter to you of December 17th last, which you had, I understand, submitted to him.

I told Mr. King that if he could arrange to have an army officer and a naval officer go down to Washington, in mufti of course, and preferably not together, arrangements would be made for them to see General Malin Craig, Chief of Staff of the Army, and Admiral Leahy, Chief of Naval Operations, and that I felt sure that such an exchange of information as might result would prove extremely useful. I felt sure that such visits could be arranged without any publicity, and that if the Canadian Legation in  
Washington

Washington could be notified of the approximate date of the visits and could get in touch with you, the necessary arrangements could be made in short order.

Mr. King expressed entire approval of the proposal, and said that he felt sure that meetings of this sort would be extremely useful. He made note of the names of General Craig and Admiral Leahy, and told me that he would look into the matter at once. He mentioned the names of General Ashton, Chief of Staff of the Canadian Army, and Commodore Nelles of the Navy, as possibilities to send down, but he was merely "thinking out loud" and I think has not yet reached any decision.

He told me that that afternoon he had had a long talk with Mr. Bennett, and intimated that they were in entire accord that the gravity of the world situation required the closest cooperation between all groups in the Government here, and I think this is a clear indication that Mr. King will have no real difficulty in securing the support of all groups in Parliament, with the possible exception of the extreme French-Canadian element, when the appropriations for defense are brought up. The indications

are

are that these appropriations will duplicate those of last year, \$35,000,000. This seems a small amount when one considers the territory involved, but when considered in conjunction with last year's appropriation, represents a great advance over anything Canada has done for some years.

In any case, the important thing is that King seems to be awake to the seriousness of the situation, and to be in hearty agreement with the President that close cooperation between us is not only advisable, but essential.

I shall not fail to notify you as soon as I hear anything more from him. Ian Mackenzie, the Minister of National Defense, has just returned, and they were having a meeting of the Cabinet today and are scheduled to have two or three more next week. If I don't hear anything from Mr. King by the middle of next week, I shall try to see him. In any case, I am dining with him next Friday before our departure, which is now scheduled for Saturday, January 15th. This will bring me to Washington Monday forenoon, January 17th, when I shall come in to make my report to you.

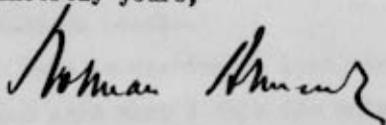
In the meantime, I am enclosing an article from the Toronto STAR giving London comment on the question  
of

- 5 -

of Canada's defense and suggested cooperation between Great Britain and the United States, together with Canadian comment on the suggestion with regard to plans for fortification of the frontier. I was glad to see that these reports were promptly denied in Washington. You may be interested in the DAILY STAR correspondent's interview with Major General William Rivers, who, you will note, is reported as saying in reply to the question "Does anybody in Washington worry about the defense of Canadian coastal regions?" "I have not heard so. There is very little discussion of the question."

With kind regards,

Sincerely yours,



Enclosure:

From Toronto DAILY STAR, January 6, 1938.

*file  
confidential  
(1)*

*B.F. Welles*

DEPARTMENT OF STATE  
WASHINGTON

January 14, 1938.

My dear Mr. President:

With further reference to your memorandum to me of December 22, conveying your desire that the Canadian Government might send an Army man and a Navy man here confidentially to talk "off the record" to some of our Army General Staff and Navy Operations people, Norman Armour telephoned me last night from Ottawa, saying that he had had a private conversation with MacKenzie King covering this question. He told me that the Prime Minister was very heartily in accord with your suggestion and was arranging to have the Chief of the Army Staff and the Chief of the Navy Staff come down confidentially to Washington next week. He said that nothing would be known of the trip, that the two men would go to the Canadian Legation, and that the Minister would be instructed to advise me upon their arrival.

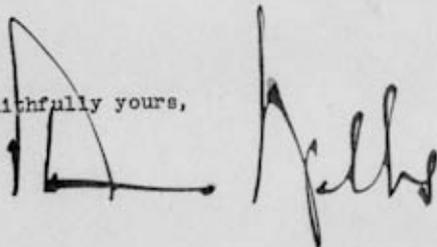
In order that the necessary preparations may be made for these conversations - which the Prime Minister

The President,  
The White House.

hoped might take place in the Canadian Legation in order to avoid any possible publicity - do you not think it would be well for Admiral Leahy and General Craig to be advised immediately of the forthcoming visits? If you desire this to be done, will you wish to speak to them personally or do you desire me to convey the message in your name to Admiral Leahy and General Craig?

Believe me

Faithfully yours,

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

*PF Welles*

THE WHITE HOUSE  
WASHINGTON

~~CONFIDENTIAL~~

January 18, 1938.

MEMORANDUM FOR  
THE UNDER SECRETARY OF STATE

Will you speak to me about  
this?

F. D. R.

Memorandum from Fay Allen DesPortes,  
American Minister to Guatemala, to the  
President, dated December 23, 1937,  
Subject - Freight rate discriminations  
of the International Railways of Central  
America against United States Trade --  
Imports and Exports.

PSF: Welles  
memo

THE WHITE HOUSE  
WASHINGTON

PERSONAL AND CONFIDENTIAL

January 25, 1938.

MEMORANDUM FOR

THE SECRETARY OF STATE

I thought you should see this  
as I think it should have come through  
you. What do you think?

F. D. R.

Letter from Secretary Welles suggest-  
ing sending up the nomination of Adolf  
Berle as Assistant Secretary of State.

BF  
Welles

Feb. 9, 1938.

Letter to President  
From Sumner Welles

Suggests Pres. not reply to Dearing's  
letter of Feb. 5, 1938.

SEE--Sweden-Drawer 2--1938

*file  
personal*

*PSF: Truller*

DEPARTMENT OF STATE  
WASHINGTON

February 26, 1938.

My dear Mr. President:

In view of the leaks which have occurred in the past in connection with diplomatic appointments upon which you have determined and which have resulted in publicity before any announcement was made from the White House, you will be interested to know that early this morning certain press correspondents called up the Department of State to find out if it were true that Mr. Nicholson was to be transferred from Venezuela to Nicaragua. Since Mr. Nicholson's reply, which I read to you on the telephone last night, only came in yesterday and since no one in the Department has known of this transfer except the Secretary and myself, I am bringing the matter to your attention because of the fact that Senator Minton was informed of your decision in this regard by the Secretary yesterday and obviously the leak in this case can only come from his office.

Since the White House has sometimes felt in the past that the Department of State was responsible for leaks of

The President,

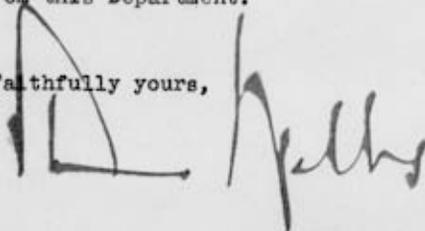
The White House.

-2-

this character, I wanted you to know that in this case  
press correspondents already had this information and  
that it did not come from this Department.

Believe me

Faithfully yours,

A handwritten signature in dark ink, appearing to read "D. Kelly". The signature is written in a cursive style with a large, sweeping initial "D" and a long horizontal stroke extending to the right.

*BF  
Welles*

To President  
From Sumner Welles

March 4, 1938.

Letter in re-Pres. desire to obtain information as to the nature and amount of supplies of arms and ammunition which were at present being received by the Chinese Gov. The War Dept. is trying to obtain the information with regard to the amounts of arms and ammunition coming to China from Russian sources in the north.

Returns conf. map to Pres.---attached

SEE--China folder-Drawer 2--1938

*file  
Confidential*

*PSF: Welles*

THE UNDER SECRETARY OF STATE  
WASHINGTON

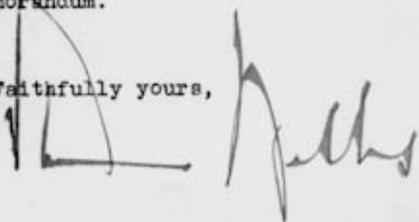
March 8, 1938.

My dear Mr. President:

I am enclosing a memorandum of a conversation I had with the British Ambassador yesterday evening. I think that whatever misapprehension existed in the mind of Lord Halifax has now been cleared up as a result of a cable which Sir Ronald said he would send him last night. In view of the importance of the rest of the message, I thought you would probably want to read this memorandum.

Believe me

Faithfully yours,



Enclosure:  
Memorandum,  
March 8, 1938.

The President,  
The White House.

DEPARTMENT OF STATE  
*Memorandum of Conversation*

DATE: March 8, 1938.

SUBJECT: ~~SECRET~~ CONFIDENTIAL

PARTICIPANTS: The British Ambassador, Sir Ronald Lindsay;  
The Under Secretary.

COPIES TO:

---

\*\*\* 1-1409

The British Ambassador called to see me late yesterday evening. He had been instructed by telegram from Lord Halifax to convey a message to this Government which he then communicated to me.

The message the Ambassador was instructed to communicate to me commenced with the statement that Lord Halifax was very much gratified to know that the President and the Government of the United States considered the procedure of the British Government in its efforts to find a political appeasement "to be right" and that the new British Foreign Secretary was encouraged in the thought that in its effort the British Government had the sympathy of the United States.

At this point I interjected to say to the Ambassador that I assumed that this message was the result of a telegram which the Ambassador had probably sent after his conversation with me of March 3 and that it was not the result of any statement made to the Ambassador by the President or by the Secretary of State directly. The Ambassador said that I was correct in that belief. I then said that I felt it necessary in the most friendly way to make it clear that I had never indicated in our previous conversation that the President or any responsible officials of this Government had undertaken to determine or much less to say to the British Government that they considered its procedure "to be right". I had said that this Government was, of course, adopting an attitude of contemplation and that it hoped that the British Government in its endeavor to find a solid foundation for a political appeasement in Europe would meet with a complete measure of success. I said that as the Ambassador knew from his knowledge of the proposal which the President had had under consideration for some time that the President frankly recognized that certain political appeasements in Europe with which this Government had no direct concern and in which this Government could not participate were evidently an indispensable

factor in the finding of bases for world peace; that in that sense and in that spirit I had said to the Ambassador that this Government trusted the negotiations for these political appeasements would prove completely successful, but that I wanted to make it very clear that this Government had not attempted to pass upon the methods of approach determined upon by Mr. Chamberlain nor in any other way to offer advise or counsel as to the manner in which the negotiations were being conducted.

The Ambassador frankly admitted that he had probably over emphasized what I had said to him in our previous conversation and that Lord Halifax in turn had over emphasized what the Ambassador had communicated to him. The Ambassador said that he himself had been so deeply concerned by the attitude of the American press with regard to Mr. Chamberlain's policies and by the distortion of the real issues involved in the conflict which had arisen between Mr. Chamberlain and Mr. Eden that he had been particularly gratified to know from his conversation with me that the Government here was viewing the question dispassionately and objectively, and was regarding the ultimate objectives sought by Mr. Chamberlain as that which they in fact were--the desire to find through

peaceful negotiation a settlement of political disputes in Europe so that the world might return to a condition of normality. He stated that I had no conception of the number or the nature of the letters which he had been receiving from private American citizens inveighing against the present policy of his Government and alleging that the British Government was now endeavoring to bolster up the European dictatorships. The Ambassador remarked, "It is not that we like the dictators nor that we want to associate ourselves with them, but since we are confronted with a world in which there are dictators, we have reached the conclusion that the only thing to do in order to prevent war is to try and find a basis for peaceful understanding with them".

The Ambassador then went on to give me the rest of the message from Lord Halifax. Lord Halifax said that the British Government was compelled to tackle their European problem piecemeal and that they had commenced with Italy because the rapid and continuing deterioration of relations between Italy and Great Britain was becoming increasingly serious and the British Government hoped that restoration of confidence and friendship between Italy and England might produce a satisfactory and lasting appeasement in the Mediterranean

and adjoining regions. He went on to reiterate what Sir Ronald Lindsay had communicated to me in an earlier conversation, namely, that the British Ambassador in Berlin had been instructed to see Hitler on March 3 and that as a result of that conference the British Government hoped to be able to appraise the prospects of advance in that quarter in order to devise a measure of appeasement in Central and Eastern Europe. The British Foreign Secretary emphasized the fact that both negotiations would be attended by many difficulties but that if these "regional agreements" could be secured, he hoped that any danger of conflict could be avoided at least for a period.

At the conclusion of the communication which Sir Ronald Lindsay was instructed to make, Lord Halifax mentioned his belief that in order to secure any real and lasting betterment of the situation it would undoubtedly be necessary to try and obtain some scheme of general cooperation in Europe not only political, but likewise economic, and said that if the United States Government could at any time see its way to assisting or encouraging such a development, that would undoubtedly be of the greatest value. For that reason Lord Halifax again desired to inform this Government fully of the

progress of the British negotiations so that the United States could, should it so desire, offer advice or criticism as to the progress of the negotiations and so that the President could, should he be so disposed, determine whether at any point it might be opportune for him to take "independent but correlated action". The message concluded with the expression of the hope that should the President at any time determine that it was desirable for him to take such "independent but correlated action", the British Government might be advised beforehand of such intention on the part of the President.

I asked the Ambassador if he had any instructions which would make it possible for him to clarify exactly what the British Government had in mind in the latter part of Lord Halifax's message. I reminded the Ambassador that the President had made it emphatically clear that this Government did not intend to participate in any way in the questions of European political appeasement and that the only initiative which the President had contemplated was that concerning which the British Government had been fully informed. I said that for the time being the President had determined to hold that initiative in abeyance as the British Government had

already been advised and that as the Ambassador had been informed, the British Government would be informed should the President at some subsequent date determine that it was desirable to take any action of the kind which he had previously contemplated.

The Ambassador said that he had no instructions whatever in clarification of the points concerning which I inquired. He said that to him the meaning was very clear and that was that if the political appeasements which the British Government was now seeking were successfully concluded, undoubtedly economic and financial measures would have to be determined upon as supplements and complements to the political appeasements. He said that of course both Germany and Italy, if they decided to move outside of their present autarchic system as a result of satisfactory political adjustments, would find themselves in a very difficult transitional state, both commercially and financially, and that the British Government hoped that the other great powers of the world who were seeking to further peace would then consider how they individually might help in the restoration of normal commercial and financial relationships. He said that up to the present time, in the judgment of his Government, the only constructive program which had been

put forward during the past five years had been the Hull trade agreements program and the existence, or rather the continuation and enlargement of the scope of that program, would in the opinion of the British Government be the most effective way that had yet been devised of assisting Italy and Germany through the transition period back to normal relationships with the other powers of the world. I reminded the Ambassador that it apparently had taken the British Government a good many years to comprehend the truth of what he was now saying to me but that, of course, it was clear that if the British Government desired the effective cooperation of the United States through the trade agreement program, the British Government's own sincere and wholehearted support of that program, particularly after the conclusion of the British-American trade agreement, would necessarily be all important. I further said to the Ambassador that the President's plan had obviously taken the factors which the Ambassador had mentioned to me specifically into account in as much as one of the points which the President would have indicated he was willing to consult other nations upon was the devising of methods for the freeing of restrictions upon trade between nations and the most effective manner of promoting an opportunity

for all nations to participate in the processes of world trade on a basis of equality of treatment.

In concluding this part of our conversation I said to the Ambassador that it seemed to me exceptionally important that there be not the shadow of misapprehension on the part of the British Foreign Office of the attitude of this Government nor as to the limits of activity beyond which this Government could not and would not go. I said that I appreciated and I was sure the President and the Secretary of State would appreciate the particularly friendly nature of Lord Halifax's message but that I wished to assure myself that the precise position of this Government was clearly understood by Lord Halifax. The Ambassador repeated that if there was any misapprehension it was undoubtedly due to the way in which his earlier telegram to Lord Halifax had been worded and that he would see that there was no further misunderstanding even with regard "to the shading or interpretation" of words.

The Ambassador then spent a short time in discussing the situation with regard to the incidents which had arisen in connection with Canton Island and the other Pacific islands. He said that he had just received a cable which he would communicate to the Department in

writing today indicating that the British proposals would be made in the immediate future so as to provide a solution of this difficulty. I asked when these proposals were expected and he said that he did not know and that any delay that might ensue would be due solely to the intransigent attitude of the Australian and New Zealand Governments. He told me that he had acted as quickly as he possibly could in communicating with the Governor of Fiji so as to avoid the possibility of any physical difficulty when the American colonists arrived at the islands and that he thought he had acted just in time but that one never knew what New Zealanders might do when confronted with a situation of this character.

*Handwritten initials*

file  
"Confidential"

ASF Stali  
Welles

THE UNDER SECRETARY OF STATE  
WASHINGTON

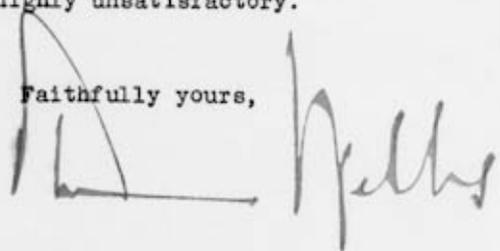
March 9, 1938.

My dear Mr. President:

With reference to my letter to you of yesterday's date, I enclose a further secret memorandum given me by the British Ambassador yesterday afternoon. This memorandum relates to the conversation had with Hitler by the British Ambassador in Berlin on March 3. The conversation would seem to have been highly unsatisfactory.

Believe me

Faithfully yours,



Enclosure:  
Secret memorandum.

The President,  
The White House.

~~SECRET~~

Oral account of a conversation on March 3rd between Sir N. Henderson and Herr Hitler at which Herr von Ribbentrop was present. The latter is coming to London for two or three days this week when Lord Halifax will have a conversation with him.

-----O-----

Herr Hitler was in an excitable mood and spoke at some length on his favourite topics of bolshevism and incitements of the foreign press particularly British. On the main point under discussion his attitude may be summarized as follows.

He doubted whether the Colonial question was yet ripe for solution in view of the fact that Paris and London had set themselves too strongly against a return of Germany's former Colonies and considered therefore that a settlement might have to wait some years. He would send a written communication later in reply to the soundings which Sir N. Henderson made with the object of finding out on what line a solution of the Colonial question might eventually be possible.

As regards Central Europe Herr Hitler adopted an uncompromising, indeed a vehement attitude. Germany he said would not allow third parties to interfere in the settlement of her relationships with Countries of the same nationality or Countries with large German populations. He went so far as to accuse  
the

the French and British Governments of deliberate steps to spread obstruction of his peaceful endeavour to secure alleviation for oppressed Germans in Austria. Germany he said would have to intervene if Germans were oppressed in Central Europe. She could not remain neutral if there were internal explosions in Austria or Czecho-Slovakia. It was in order to avoid such an explosion in Austria that the Berchtesgaden agreement had been concluded and if the Austrian Government carried out their undertakings the former difficulties might now be regarded as removed. In Czecho-Slovakia Germans must be guaranteed autonomy in cultural and other matters to which they were entitled in order that a satisfactory solution might be reached.

As regards the limitation of armaments the Chancellor maintained that His Majesty's Government would have to begin any discussions with Russia; Germany was not arming against England and any arms limitation was in essentials dependent on Soviet Russia, which was in any case a country which could not be trusted to keep its treaty engagements. Herr Hitler referred to a recent speech by Voroshiloff plainly announcing that Soviet forces would make ruthless use of poison gas; and the Chancellor added, when asked for his view regarding prohibition of air bombing, that he had long made known his attitude on that question and could only add that

if the Soviet Union were today to declare their readiness to refrain from use of poison gas bombs it would be impossible to place any faith in such a declaration.

His Majesty's Ambassador of course corrected the Chancellor's inaccuracies and protested strongly against his false insinuations. The promised written communication has not yet been received.

file  
private

PSF  
Welles

①

DEPARTMENT OF STATE  
WASHINGTON

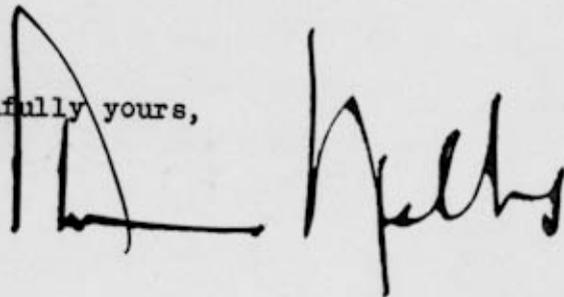
March 16, 1938.

My dear Mr. President:

I have just received from the British Ambassador a message from his Government of which I am enclosing a copy herewith. You will note that the time and method of accord-  
ing recognition to the absorption of Austria into the German Reich is now under considera-  
tion by the British Government and that the Ambassador will receive a further telegram on this point.

Believe me

Faithfully yours,



Enclosure.

The President

The White House.

C O P Y

In a speech which Lord Halifax is making in the House of Lords this afternoon the following passage will occur.

"His Majesty's Government are therefore bound to recognise that the Austrian State has now been abolished as an international entity and is in process of being completely absorbed into the German Reich. They do so indeed without waiting for the plebiscite, the result of which, in view of the circumstances in which it is going to be held, is a foregone conclusion."

This statement foreshadows the intention of His Majesty's Government in the United Kingdom to recognise the fait accompli of the absorption of Austria in the German Reich. They are considering the time and method of according recognition and a further telegram on this point is awaited.

March 16th, 1938.

file  
Confidential

PSF  
Waller

DEPARTMENT OF STATE  
WASHINGTON

March 16, 1938.

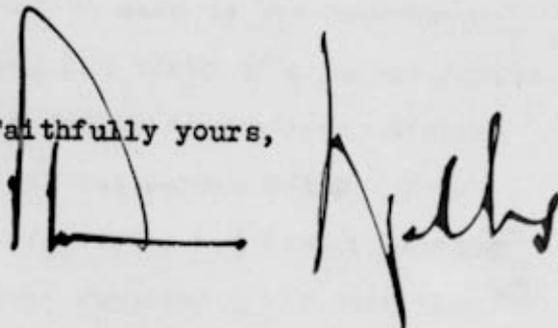
My dear Mr. President:

With reference to our telephone conversation this morning, I am enclosing a copy of the memorandum of a talk I had with the German Ambassador on March 14.

I also enclose a copy of the memorandum of a conversation I had with the Canadian Minister yesterday which I believe you will find of interest. The Minister's interpretation of the attitude of public opinion in Canada and of his own Government with regard to any policy which may be undertaken by the British Government now in connection with Central European problems is, I think, significant.

Believe me

Faithfully yours,



Enclosures.

The President,

The White House.

COPY

DEPARTMENT OF STATE

*Memorandum of Conversation*

DATE: March 14, 1938.

SUBJECT: Recent events in Austria.

PARTICIPANTS: The German Ambassador, Herr Hans Heinrich Dieckhoff;  
The Under Secretary.

COPIES TO:

---

\*\*\* 1-1403

The German Ambassador came in to see me this evening immediately after leaving the Secretary of State. The Ambassador told me that he had handed to the Secretary in its German text a formal communication he had been instructed by his Government to make to the Government of the United States quoting the texts of a German decree and of an Austrian decree promulgated yesterday declaring the union of Austria with the German Reich. The Ambassador remarked that these texts had been published by the press here and that he supposed I had seen them. I said that I had and that I thought they also had been telegraphed to the Department by our missions in Berlin and in Vienna. I asked the Ambassador if there was

anything further in the communication he had delivered to this Government other than the text of these two decrees and he said merely the further statement that the Austrian Legation and the Austrian Consulates in the United States had been instructed to turn over their archives and to subordinate themselves to the German Embassy in Washington and to the nearest German consular officers. I made no comment.

The Ambassador seemed to find my failure to make any further remark somewhat exasperating and he gave me the impression of laboring under a very considerable degree of nervous excitement and tension. He then broke out with the remark "This is a great day, a wonderful day, for Germany". I again made no comment.

Mr. Dieckhoff then embarked upon a tirade which lasted certainly for ten minutes and which, in view of his usually extremely courteous and pleasant manner and in view of the fifteen years I have known him and have maintained extremely friendly personal relations with him, struck me as all the more extraordinary. He commenced with the assertion that no matter what Germany did, the rest of the world was always ready to inveigh against her, to question her good faith, to malign and maliciously to misinterpret her actions and her purposes,

and that the present moment was another example of that phenomenon. He said Austria has always desired an Anschluss with Germany, and both the Weimar and the Austrian constitutions provided for such amalgamation. Only through the inequity of the Versailles and the Saint-Germain treaties, said the Ambassador, was such a union made impossible at the end of the World War. He continued, saying that it was now evident to the whole world that the Austrian people unanimously desired to become an integral part of the German Reich.

At that point I interjected and said that so far as the impression of the world was concerned, it would seem to me that the impression created had been that the Austrian people had not been given an opportunity of determining that question and that the use of physical force must necessarily be considered as having obscured any considered and expressed determination by the Austrian people of what they themselves desired.

The Ambassador then went on to exclaim, "If you were in Vienna today you would not feel that way. You would see for yourself that every Austrian wishes to become a citizen of the German Reich". To this I made no comment.

The Ambassador then continued by stating, "And if

the Austrians are not permitted to have a plebiscite, that would be nothing new. You will remember that when the French occupied Alsace and Lorraine after the World War, Poincaré announced that the mere manner in which French troops had been received by the populace in those two provinces was sufficient proof that the citizens of Alsace and of Lorraine desired to become Frenchmen once more". At this point I mentioned that it seemed to me that the precedent selected by the Ambassador was not a singularly happy one.

The Ambassador then went on to revile the press in the United States. He said that the news columns and the editorials in all of the American newspapers were filled with calumny and lies and that no effort was ever made to treat Germany or German policy objectively or even to deal with the issues in an impartial manner.

I reminded the Ambassador that we had had many conversations in the past months on the subject of the relations between our two countries and on the subject of the press, both in the United States and in Germany. I reminded him that it was absolutely impossible for the press or the people of the United States to take a dispassionate point of view with regard to certain occurrences which had taken place during recent years in

Germany. I stated to him that there was instinct in the spirit of every American citizen two great principles upon which the United States had been founded and had grown to its present stature. I said these two principles were the freedom of religious worship and the right of free speech and of a free press. I told the Ambassador that, as I had said to him frequently, so long as there were very great elements in our population who saw the members of their own race or of their own religion in Germany deprived of these rights which were considered fundamental by every American citizen, that prejudice would persist and I was sure that with his knowledge of human nature and with his long acquaintance with this country, he must realize that that was the fact.

The Ambassador then remarked, "But the Jews here are only a small proportion of your population. Why should you permit them to dominate the press and to dominate public opinion?"

I replied that while the Jewish element in the population of the United States was, as he said, only a small percentage of our total population, nevertheless, the people of the United States felt that that element among them was as much a part of the United States as any other element of the population; that we felt they

had contributed greatly to the progress and to the well-being of the nation; and that while I could under no conditions accept the Ambassador's statement that our press or our public opinion was dominated by the Jewish element in our population, nevertheless, in view of the fact that most Americans had Jewish friends whom they regarded highly and whom they admired as fellow citizens, the feelings and the sufferings of this part of our people very naturally necessarily had its effect upon the views and sentiments of the non-Jewish part of our population. I reminded the Ambassador in as much as he was undertaking to dissect the component parts of public opinion in the United States, that the members of other churches, both Catholic and Protestant, felt quite as strongly with regard to the two principles I had mentioned as the Jewish element in the United States.

I reminded the Ambassador that in previous conversations I had told him of my own early friendships in Germany and of the great benefits I as an individual had received from those friendships, and of the cultural benefits I had been privileged to obtain from Germany, and that therefore he knew that as an individual I was far from prejudiced and had always endeavored to see both sides to the German contention since the War and

had fully appreciated the fact that in their dealings with Germany during the past twenty years injustices had been committed by other powers which I had always hoped would some day be righted through peaceful and reasonable negotiations such as those which Stresemann had endeavored to undertake. I stated, however, that in view of his knowledge of the American people and of the way in which public opinion in the United States reacted, the Ambassador would realize that the feeling now existing on the part of so large a proportion of our population would be very greatly intensified if new acts of repression and persecution were undertaken by the German authorities against Austrian citizens because of the latter's religious beliefs.

The Ambassador concluded our conversation by stating in the most vehement manner that the German Government as a result of its experience with the American press during the past years from which it had never received anything except malignant and malicious treatment would not be greatly concerned by any intensification of that feeling on the part of the press in this country.

S.W.

PSF  
Melles

March 17, 1938.

From the President  
Memo for Under Sec. of State  
And Chief of Naval Operations

In re-having American destroyer in Samana Bay on Mar. 18th  
to 23rd, when German battleship will visit it.

SEE--Navy folder-Drawer 1--1938

*File  
Confidential*

*PSF: Welles*

DEPARTMENT OF STATE  
WASHINGTON

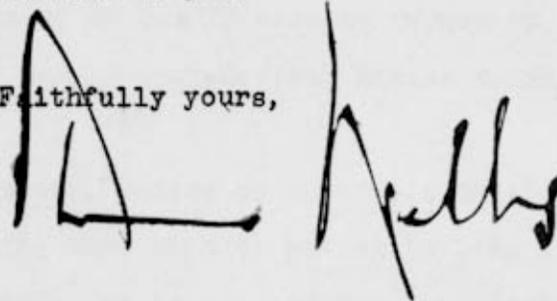
March 18, 1938.

My dear Mr. President:

I received yesterday a letter from Oswaldo Aranha, who, as you know, assumed office as Brazilian Foreign Minister on March 15. I am sending you a translation of the letter in the belief that Aranha's estimate of the present situation in Brazil and his forecast of the future may be of interest to you.

Believe me

Faithfully yours,

A handwritten signature in cursive script, appearing to read "A. Welles". The signature is written in dark ink and is positioned to the right of the typed phrase "Faithfully yours,".

The President,  
The White House.

[TRANSLATION]

Rio de Janeiro, March 9, 1938.

Friend Sumner Welles:

I promised to write you a letter when we departed, already three long months ago. I did not wish, however, to take up your time, which I know to be constantly occupied, with vague and uncertain impressions. I have spent this time in studying and observing the life of my country and today I can speak to you as to myself, and with a full acquaintance with the matter.

I. I shall not return to Washington, for obvious reasons. I am certain that my great friend will approve of this decision. I confess to you, however, that all my wishes and also those of my family were to return to Washington, where we had an instructive, pleasant and happy stay.

My presence, however, became necessary in Brazil.

I long for nothing more than to return to live again with the American people and in its country, which gave me only pleasures, honors, friends and very enjoyable memories.

II. My place there will be taken by Ambassador Pimentel Brandão, at present Minister of Foreign Affairs. He needs no introduction. His work at the Itamaraty is a recommendation. His fidelity to Brazil's traditional policy, his devotion to the ideals which our two countries

are

are spreading over the Continent in brotherly fashion by the practice of neighborliness and over the world by the love of peace, the confidence which he places in the head of the government, his intelligence and his culture accredit him as the one among us most indicated to represent us in Washington. I feel certain that his mission will be fruitful and happy.

III. The political situation of my country can easily be summarized between two friends in a few words.

The Brazilian people continues to be absolutely the same, maintaining its democratic and liberal life and traditions unchanged.

Democracy is not a government, a law or a constitution: it is a practice. This is the reason for which there exist in the world monarchies that are considered democratic and liberal and republics that are true autocracies. The forms of government are sometimes, and most of the time, mere outward show or even temporary necessities, which in no wise change the feeling, the spirit, the tendency and the life of peoples.

Brazil was always democratic, whether under the Empire or under the Republic, because her people, since Independence, have not understood and will not be able to understand any other way of living.

The present government was necessitated by the circumstances and constituted, under the shock produced by the  
military-

military-Communist coup of 1935 and the subsequent political anarchy, threatening a civil war of classes and factions, not only the most peaceful solution, but the most popular one. It was the only one capable of maintaining the public order, administrative and political, material and moral, of the country.

President Vargas did everything to favor settlement by elections, encountering, unfortunately, immovable obstacles in the aggressive and disturbing stubbornness of the regional political factions, their leaders and candidates.

The people, as I have been able to verify, chose, in the form of a quasi-plebiscite, the present solution, not only because of the assurance of order which the figure of the President gave them, but also because, beyond doubt, this was the only way to avoid bloody combats and get rid of the extremist tendencies, both toward the left and toward the right, that had become numerous in the country under the shadow of the presidential campaign.

The attitude of the people, preferring the middle of the road, was wise and prudent, and the basis for safeguarding the country against a serious social subversion is to promote a new stage of constructive and serene continuity, which is the work of the present government.

The truth is, my friend, that under the Vargas administration no other regime except a liberal one is possible.

All his life he has been a noble example of tolerance in power. His authority has always been exerted within the broadest discussion of general and even individual interests. He does not do, or allow anything to be done, without open consideration and general debate of the problems that he must or that he wishes to solve. His presidency, formerly and now, was and is the exercise of a rule of moderation, prudence and generosity.

These were the reasons for the people's choice, understood and supported by the organized classes, civil and military, and which he accepted as one more sacrifice, since power has no personal attractions for him. His clear-sightedness, his lack of "personalism" in the exercise of government, his impersonality in the treatment of men and of the public interests are, added to his private virtues, the firmest foundations for his prestige among the people. He does not exercise power for himself or his family, nor for a group, and still less for a faction, party or section of the country.

The government is, in his hands, an instrument of the people and of the common weal.

Its continuation was, then, a necessity for the whole country. And it should be understood as such by the friends of Brazil.

IV. You know well, my good friend, my ideals, my

sentiments

sentiments and political points of view. Your friendship is one of the best and most comforting acquisitions of my public life. So I am speaking to you with the responsibility which this confidential intimacy imposes in our personal relations.

I can therefore assure you that the present solution was, it may be said, providential for my country. The people is living democratically, discussing and deciding on its destinies under a government that wishes only the general welfare.

The Government has only centralized those powers the dispersion of which was subverting the very bases of national unity and of the democratic and federative institutions of Brazil, without, however, abolishing the popular and local foundations of the traditional liberal organization of the country.

The new Constitution has preserved representation, federation, the republican form, the three powers and the temporary character of mandates. There are some exaggerations in it which time, the people or the government itself will finally amend or adjust. But, my friend, what people is there that, being obliged to recast its basic law in this period, will not stray into exaggerations and errors?

The present era is one of economic, political, social and even universal ruin. Did not the American Constitution,

the work of brilliant men, maintain slavery, paying tribute to its epoch, and yet being the most advanced and liberal, semi-prophetic, political structure of its time? Did not the "fathers of the country" fail to include the chapter "on individual rights" that is nowadays rightly considered the "heart of the Constitution"?

The Brazilian plan, in my opinion, shows certain anachronisms. They will, however, be corrected, as were the American ones, and more peacefully, because the Brazilians are not obstinate, but rather willing to learn and correct.

V. So my dear friend and his Government may trust in the new order of things created in Brazil. It will not lag behind in the striving for order, peace and the happiness of peoples and will continue to be the most friendly, the most loyal and the most disinterested of the brothers of the American Union.

VI. I shall go to the Itamaraty within a short time, thus fulfilling my duty of collaborating with the government of my country and doing everything to aid the fruitful and patient work of national reorganization begun by my President and my friend. I believe, besides, that in that way I can best serve the union and friendship of our two countries, the bases of continental prosperity and peace.

I have reason, as has President Vargas, for trusting in your most intimate and personal cooperation with me and my country. I know that the attitude of President Roosevelt and Secretary Hull, whose noble plans I know and admire, will be no different, and I hope to be of service in my new position, as I succeeded in doing in Washington.

Ambassador Caffery has already given innumerable evidences that he will be a guarantor of that work to be completed.

VII. I ask you to receive my regards and to present them to your colleagues; I send them in particular to Secretary Cordell Hull, to whom I am going to write. As evidence of the liking of my wife and myself, including Mrs. Welles also, I am,

Your friend from the heart,

Oswaldo Aranha.

PSF:Welles

DEPARTMENT OF STATE  
WASHINGTON

March 21, 1938.

My dear Mr. President:

I have read Mr. Blum's letter. I see no reason why you should write him again since, as you indicate in your memorandum to me, the letter you have now received is in response to the letter you wrote him.

You may have seen the cable which came in Saturday from our Chargé d'Affaires in Paris informing us that Mr. Blum, who had been planning to undertake his trip to the United States as a private citizen, is now wondering whether this visit should be made if he is still Prime Minister at the time he had arranged to visit this country. Personally, I think he should come, whether as Prime Minister or as a private citizen, for I feel the general effect of the visit would be desirable. If you yourself feel this way, perhaps you will let me know before you leave Washington since I think our Embassy in Paris ought to be advised of your feeling in this regard.

Believe me

Faithfully yours,

The President,

The White House.

*Blum's letter written in french to The Pres  
is in Hornum's People folder - drawer 1 - 1938*

PSF: Welles

*file*

*Welles*

THE UNDER SECRETARY OF STATE  
WASHINGTON

April 18, 1938.

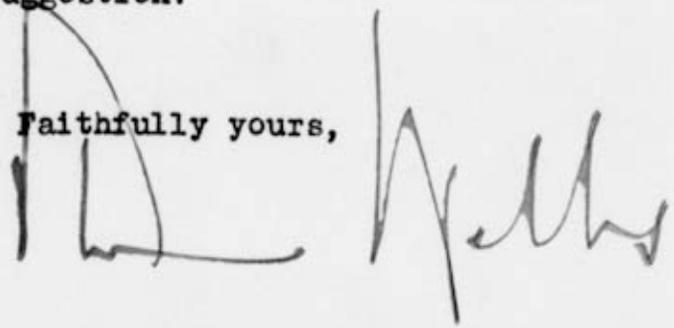
My dear Mr. President:

With reference to our telephone conversation of this morning, I am enclosing herewith for your consideration a suggestion of what you might wish to say at your press conference tomorrow with regard to the British-Italian Agreement.

I have spoken on the telephone to the Secretary and he is in accord with the general lines of this suggestion.

Believe me

Faithfully yours,



Enclosure.

The President,

The White House.



THE WHITE HOUSE  
WASHINGTON

April 18, 1938

MEMORANDUM FOR THE SECRETARY OF STATE

I have just read Halifax's communication to Kennedy--and I suppose the last paragraph needs some answer. Will you talk to me about this at your convenience.

F. D. R.

Enclosure

*file  
presmed*

*PSF  
Miles*

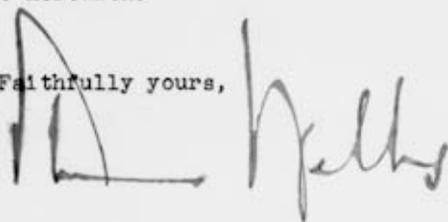
THE UNDER SECRETARY OF STATE  
WASHINGTON  
April 21, 1938.

My dear Mr. President:

Thank you for letting me read this letter from Mr. Bowers. I have found it extremely interesting. In accordance with your request, I am returning it herewith.

Believe me

Faithfully yours,



Enclosure.

The President,  
The White House.

*Letter to Pres from Bowers  
April 11, 1938  
See Spain - drawer 2 - 1938*

THE WHITE HOUSE  
WASHINGTON

April 21, 1938.

MEMORANDUM FOR  
THE UNDER SECRETARY OF STATE

TO READ AND RETURN

F. D. R.

Letter from Ambassador Bowers  
dated April 11, 1938.

PSF  
Welles  
7

Memo from Sumner Welles  
to the President

April 22, 1938

Attaches memo from Hugh Wilson  
in re his conversation with Reich  
minister of propaganda Dr. Goebbels

SEE--Germany folder-Drawer 2--1938

BF

file  
Miller

Memo sent from Welles to President  
in re-Radio Conventions, Habana Conf. 1937  
was sent by Pres. to McNinch, April 26, 1938

SEE--McNinch-Gen corres-Drawer 2--1938

THE WHITE HOUSE  
WASHINGTON

*Welles*

~~CONFIDENTIAL~~

April 27, 1938.

MEMORANDUM FOR  
THE UNDER SECRETARY OF STATE

Will you speak to me about  
this before I leave?

F. D. R.

Letter addressed to Ambassador Bullitt  
from Farrio in re Larkin, the Foreign  
Buildings Chief.

DECLASSIFIED  
By Deputy Archivist of the U.S.  
By W. J. Stewart Date MAR 6 1972

THE WHITE HOUSE  
WASHINGTON

~~CONFIDENTIAL~~

April 29, 1938.

MEMORANDUM FOR

THE UNDER SECRETARY OF STATE  
THE CHIEF OF OPERATIONS

What is your recommendation  
in regard to the enclosed?

F. D. R.



Moreover, we are considering the approval of a contract between the Soviet Government and private American shipbuilders for a capital ship of over 62,000 tons and guns of 18 inches. This could only be built in the United States under the terms of the existing Treaty if we decline henceforth either to set any limits whatsoever in the capital ship category, or if we set them at a figure not less than 62,000 tons and 18 inch guns.

I venture to submit certain reasons, chiefly of a political character, why I feel it would be against our true interests to adopt either of the alternatives mentioned above.

(1) The present Treaty provides that after escalation "the High Contracting Parties shall thereupon consult together and endeavor to reach an agreement with a view to reducing to a minimum the extent of the departures which may be made." A strict observance of the Treaty, certainly in spirit if not in letter, would call for the setting of new limits as near to the old limits as would suit our own needs.

(2) It would be a mistake for us to approve the construction in the United States for a foreign power of a new type of ship which, if copied by others, might render all existing capital ships obsolete. This would  
be

be surrendering the advantage of our present numerical superiority in capital ships, and would not only start a new race in capital ships from scratch, but would give a greater incentive to build entirely new types of vessels. It is against the interests of the stronger naval powers to encourage the development of new types.

(3) Should we permit the construction for the Soviets of a ship of the new type contemplated Japan would probably concentrate against us the resentment she has hitherto directed mainly against the British.

(4) As the Soviet authorities inform us that the ship in question would be based on Vladivostok, its construction might even encourage Japan to attack and capture Vladivostok before the completion of the ship, so as to prevent it being based on a port sufficiently near to threaten Japan.

(5) It would almost certainly encourage Germany, which is reported to be restive under the Naval Treaty with Great Britain, to invoke the escalator clause in order to counterbalance Soviet construction with new types specially suited to her needs.

(6) It would precipitate a new naval race in Europe just at a moment when the British have the European naval situation pretty well in hand with their recent success in persuading Italy to adhere to the London Naval Treaty

as part of the general Anglo-Italian agreement. A new naval race might well be followed with renewed political friction, for which we should be in part responsible.

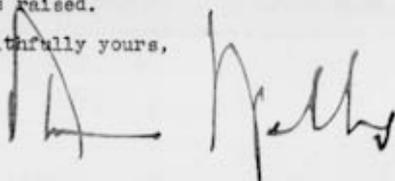
All these difficulties could be avoided by our agreeing to a limit of 45,000 tons and 16 inch guns, - figures which are higher than desired by the British and French, but which would meet our present construction needs and military plans. If circumstances alter and a new situation arises that gives us concern, we can always protect ourselves by a second escalation. By permitting American shipbuilders to construct several ships of this size for the Soviet Government, instead of one of 62,000 tons, we would reap many commercial and political advantages, without creating a new type which would be of no discernible advantage to us, and which would in all probability have unfortunate political repercussions both in Europe and in the Far East.

I enclose, as of possible interest, an Aide Memoire from the British Embassy which has recently been received. The only new point is found in the last sentence, where the suggestion is made that a naval officer be sent to London for the period of the escalation discussions. The suggestion would seem to have little merit as the decision must be made here in Washington.

-5-

I respectfully request an expression of your wishes  
in regard to the points raised.

Faithfully yours,

A handwritten signature in cursive script, appearing to read "A. Kelly".

Enclosure:

Aide Memoire.

AIDE MEMOIRE

With reference to the "escalator" discussions now proceeding in London under Article 25 of the London Naval Treaty of 1936, His Majesty's Government in the United Kingdom regard it as most important to reach agreement on new limitations with as little delay as possible. They understand, however, that the United States Government are in some doubt as to whether any new limits should be fixed. Under Article 25 (3) of the 1936 Treaty the interested Powers are bound to endeavour to reach agreement on new limits for sub-category (a) Capital Ships, and it was clearly the intention of the Treaty that there should be new limits if possible. In the opinion of His Majesty's Government it is most important for political and other reasons that some limit should be fixed now, and it seems to them desirable, while avoiding any excessive increase, to fix a limit at such a level that re-escalation is unlikely to be required again in the Capital Ships category during the period of the Treaty. The basis of the 1936 Treaty is a system of qualitative limitation to which the interested Powers were committed by the conclusion of the Treaty with the full knowledge that Japan would not be a signatory. This system, as the United States/

500-150-10  
200/103 (copy)

States Government will be aware, dates from the Washington Conference of 1922, and His Majesty's Government cannot believe that any Treaty Power would depart from it except in circumstances of the most undoubted gravity. His Majesty's Government believe that the exigencies of the present situation can be fully met without abandoning the principle of an upper limit for Capital Ships. The position of His Majesty's Government is complicated by the fact that Germany and Soviet Russia, with whom they have bilateral agreements, will be pressing for information as to the British attitude in view of their own building programmes. The period of uncertainty is bound, His Majesty's Government feel, to give rise to anxiety amongst other powers.

With particular regard to the risk that if new limits are fixed the Japanese Government might proceed to build over such limits, His Majesty's Government consider such action unlikely and one that could in any case be met by fresh escalation.

On the other hand the absence of limits in regard to building programmes and a policy of secrecy are, in the opinion of His Majesty's Government, even more likely to cause the Japanese Government, in order to avoid any risk, to build to a higher limit than they otherwise would. In actual fact it would no doubt prove difficult

for/

for His Majesty's Government, as also perhaps for the United States Government, to maintain complete secrecy regarding the size of their new ships, and in the view of His Majesty's Government there would, therefore, be no permanent advantage in adopting an attitude of secrecy. The Japanese Government, on the other hand, are better placed for this purpose, and it is they who, so to speak, keep the Treaty Powers guessing.

In explaining as above the position of His Majesty's Government in the United Kingdom in regard to this issue, it is desired at the same time to stress the great importance which they attach to it. His Majesty's Government are, moreover, fully prepared to discuss figures as soon as the United States representatives in London are ready to do so. They would therefore welcome at the earliest possible moment a full expression of the views of the United States Government which they venture to suggest might best be facilitated by the despatch to London of a fully accredited expert from the United States Navy Department for the period of the "escalator" discussions. If such an officer were sent it would of course be made clear to the public that his mission was for this purpose only.

BRITISH EMBASSY,  
WASHINGTON, D.C.  
April 22nd, 1938.

PSF: Welles  
Sec. Mills

THE WHITE HOUSE  
WASHINGTON

~~CONFIDENTIAL~~

April 29, 1939.

MEMORANDUM FOR

THE UNDER SECRETARY OF STATE  
THE CHIEF OF OPERATIONS

What is your recommendation  
in regard to the enclosed?

F. D. R.

APR 27 1938

~~Strictly Confidential~~

Dear Mr. President:

Informal negotiations are now taking place in London to determine whether new limits, and if so what limits, shall be placed on the size and armament of capital ships, to take the place of the old limits provided in the London Treaty from which we departed last month through escalation. These negotiations have now reached a stage where further instructions are necessary.

I am informed that the Navy Department favors our standing on the position that there should be no new limits set for capital ships, and that even though we do not for the moment desire to build for ourselves ships greater than approximately 45,000 tons, with 16 inch guns, we should be free to build for ourselves ships of any size and armament to suit our needs as circumstances demand.

Moreover,

The President,

The White House.

Moreover, we are considering the approval of a contract between the Soviet Government and private American shipbuilders for a capital ship of over 62,000 tons and guns of 18 inches. This could only be built in the United States under the terms of the existing Treaty if we decline henceforth either to set any limits whatsoever in the capital ship category, or if we set them at a figure not less than 62,000 tons and 18 inch guns.

I venture to submit certain reasons, chiefly of a political character, why I feel it would be against our true interests to adopt either of the alternatives mentioned above.

(1) The present Treaty provides that after escalation "the High Contracting Parties shall thereupon consult together and endeavor to reach an agreement with a view to reducing to a minimum the extent of the departures which may be made." A strict observance of the Treaty, certainly in spirit if not in letter, would call for the setting of new limits as near to the old limits as would suit our own needs.

(2) It would be a mistake for us to approve the construction in the United States for a foreign power of a new type of ship which, if copied by others, might render all existing capital ships obsolete. This would

be

without...  
effect between the...  
Kotzebue, as the...  
-5-

be surrendering the advantage of our present numerical superiority in capital ships, and would not only start a new race in capital ships from scratch, but would give a greater incentive to build entirely new types of vessels. It is against the interests of the stronger naval powers to encourage the development of new types.

(3) Should we permit the construction for the Soviets of a ship of the new type contemplated Japan would probably concentrate against us the resentment she has hitherto directed mainly against the British.

(4) As the Soviet authorities inform us that the ship in question would be based on Vladivostok, its construction might even encourage Japan to attack and capture Vladivostok before the completion of the ship, so as to prevent it being based on a port sufficiently near to threaten Japan.

(5) It would almost certainly encourage Germany, which is reported to be restive under the Naval Treaty with Great Britain, to invoke the escalator clause in order to counterbalance Soviet construction with new types specially suited to her needs.

(6) It would precipitate a new naval race in Europe just at a moment when the British have the European naval situation pretty well in hand with their recent success in persuading Italy to adhere to the London Naval Treaty

as part of the general Anglo-Italian agreement. A new naval race might well be followed with renewed political friction, for which we should be in part responsible.

All these difficulties could be avoided by our agreeing to a limit of 45,000 tons and 16 inch guns, - figures which are higher than desired by the British and French, but which would meet our present construction needs and military plans. If circumstances alter and a new situation arises that gives us concern, we can always protect ourselves by a second escalation. By permitting American shipbuilders to construct several ships of this size for the Soviet Government, instead of one of 62,000 tons, we would reap many commercial and political advantages, without creating a new type which would be of no discernible advantage to us, and which would in all probability have unfortunate political repercussions both in Europe and in the Far East.

I enclose, as of possible interest, an Aide Memoire from the British Embassy which has recently been received. The only new point is found in the last sentence, where the suggestion is made that a naval officer be sent to London for the period of the escalation discussions. The suggestion would seem to have little merit as the decision must be made here in Washington.

USAVI 1  
ce belt

-5-

I respectfully request an expression of your wishes  
in regard to the points raised.

Faithfully yours,

(Signed) Summer Welles

Enclosure:

Aide Memoire.

KA  
-The pen is out  
to show with -

Handwritten signature or initials at the bottom right of the page.