

● PSF: Chile, 1943

(445)

Chile folder
1-43

THE WHITE HOUSE
WASHINGTON

January 6, 1943

MEMORANDUM FOR

HON. SUMNER WELLES

For preparation of reply.

F. D. R.

Enclosure

Let to the President 12/28/42 from
Ambassador Claude Bowers, Santiago,
Chile re some obnoxious matter written
on actual stationery of the British
Embassy, etc.

*Signed original of this letter sent to Hon. Sumner Welles
for delivery 1/11/43
hm*

*Chile folder
1-43*

COPY

THE WHITE HOUSE
Washington

January 9, 1943

Dear Claude:

I have your letter of December 28. I assume that the Carl Wilson matter has now been cleared up with the British and that I can now dismiss his activities from my mind.

Your comments about the probability of a break in relations between Chile and the Axis powers are indeed encouraging. I gathered from my conversation with Señor Morales that a definitive decision had been taken by the Chilean Government. Perhaps I should not recall that I derived a similar impression from my talk with Ambassador Michels on his return from Chile last August. At all events, I am definitely hopeful.

With best wishes,

Very sincerely yours,

FRANKLIN D. ROOSEVELT

The Honorable
Claude G. Bowers,
American Ambassador,
Santiago.

18
ad
1/9/47

Santiago, December 28, 1942

My dear Mr. President:

A long while ago I sent you copies of what purported to be some very obnoxious matter written on the actual stationery of the British Embassy. I sent it directly to you, not to the Department, so it is not a matter of record there. The man who brought this to me after the Mexican Ambassador had been impressed was Carl Wilson, an anti-British Englishman. In the enclosed letter to Welles you will find another reference to this man and the stationery of the Presidencia here. From both of which the inevitable conclusion must be that Wilson is a dangerous Nazi agent with a gift for stealing stationery. I give this to you that it may wipe out any possible suspicion planted by the first incident.

There is every reason to believe that rupture is certain and very soon. The enemy is going the full length with the most fantastic attempts to cause trouble for us. Much of this is aimed at me personally since the fight here has been made entirely by me and by the Brazilian and Mexican Ambassadors. I draw the fire since it is assumed that the other two Ambassadors are merely following my lead. The fact is that we have had no real help from any other American diplomats. All are most friendly, interested in rupture, but none except the two mentioned have urged rupture on the Government here. And the British Embassy has done absolutely nothing. Once the British Ambassador mildly told the Minister Britain would like to see a rupture but this was only after he received instructions from Eden following our Ambassador's conversation with him.

I told Washington in the beginning that in my opinion Chile would be the hardest nut to crack and gave the reasons. So it has been. And for the reasons given. We have had to fight hard for every inch gained. But I think the battle is now won. National politics has been the curse.

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

Alessandri and I have become very chummy. He is reading my books and lauding me all over the lot, and he tells me he is not convinced of the advantage of a rupture but that he has said his last word and last week he told me he had positively refused to sign a manifesto to Rios against rupture. He also asked me to inform Welles that more than anything in his life he is "sorry" about what he said about Welles, and that he had "a high fever" when he wrote his famous letter.

The Darlan incident has been very embarrassing here, but it seems now that the differences will be ironed out. Ninety per cent of the French are bitterly anti-Darlan and anti-Vichy. Colonel Morizon, the French Military Attaché who had been pro-Ally but loyal to Petain, arranged a mass for Darlan and we were invited to attend. I talked with the British Ambassador who remains bitter and said he would ignore the invitation. I compromised by sending the Military and Naval Attachés as a recognition of Darlan's military cooperation with us, but did not go myself since that could be interpreted as having political significance. I am sure I did the right thing.

With warmest regards,

Sincerely yours,

Claude A. Bowers

Santiago, December 28, 1942

Dear Mr. Welles:

The case of Moreno was peculiar. We all knew here of the suspicions regarding his former activities and in consequence suggested that he be watched. However any number of former enemies of ours are today strongly for rupture and I have thought it best to keep their former activities in the back of my head. This man's intimate relations with the Catholic University and the second most important paper in Santiago induced me to believe that with the warning sent it might be of some value to see him. However, you may have positive information we could not get of his purpose in the States.

In view of Alessandri's concern over the publication of certain diplomatic papers, lest it include matters tending to accentuate the tension between Peru and Chile, I sent him the matter to be used and explained that these things are never published until submitted to the Government involved and until consent is given. I also sent him a volume of "Foreign Relations" so he would know the nature of the publication. I have a very cordial letter from him expressing his complete satisfaction and especially with what he found in the printed volume covering the episode of his abdication when he took refuge in our Embassy. He is writing an historical book covering portions of his career and he is delighted to note the manner in which he is treated in the despatches to and from Washington at the time of the coup d'etat.

Let me give you an illustration of the foul methods being used by our enemies in their desperation over the indications of an early rupture. We are infamously abused in the Nazi press and I am the subject of lying attacks which I ignore. But here comes the climax of it all:

There is a man here named Carl Wilson, an Englishman, who impresses me as either insane or as an agent posing as a fool. He managed in some way to convince LA HORA, the paper largely owned by the President, that he could do some work for

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

AIR MAIL

- 2 -

for the paper. He was given an interview by President Rios. Later he came to me with what purported to be another interview on the stationery of the Presidencia, which was actually pro-Nazi in tone. The whole is illustrated by the first question and answer:

"Is it the intention of Chile to break relations with the Axis?"

"There is no intention of changing Chile's foreign policy in any way".

Wilson brought this to me with some uncomplimentary statements regarding Rios. He poses as an ardent friend of ours. I made no comment other than that I hoped he would not publish the interview.

The other day when I saw Fernandez he brought up the subject of Wilson. He said that Wilson had taken this purported interview on the stationery of the Presidencia to Rios and told him he had stolen it from my desk; that I had evidently stolen the stationery and faked the interview to charm Rios with the United States and that I was sending it to Washington. He then handed me the interview on the Presidencia stationery that Wilson had shown me. He said that Wilson told the President I am the worst enemy of Chile in this country.

Fernandez was not impressed and knew that it was a fake. But the President had turned it over to him and was worried about the stationery. I told him what we knew of Wilson, and suggested that I too was worried about how Wilson got the stationery and suggested that the President have an investigation made in his own office. Fernandez said it was very evident to him that Wilson is either crazy or a Nazi agent and that the best thing would be to give him his head and have him watched by both the Bureau of Investigations here and by our people. On that we agreed.

This incident recalls another that seemed very serious, over a year ago. Wilson while an Englishman is bitter against England. One day he brought to us a letter on the actual stationery of the British Embassy purporting to be instructions from the British Embassy in Buenos Aires that letters from Spanish Falangist leaders be carried in the British pouch. In the light of this last incident it would seem that Wilson may not be so crazy; that he is a master in the stealing of stationery; and that he is a Nazi agent.

I suggested to Fernandez, in whom I have the most perfect confidence thus far, that since the President must see all sorts of men, it is not improbable that he may be told any number of lies about me, on whom the Nazis are now concentrating their hate, and that I will appreciate it if the President will immediately and always inform Fernandez so he can inform me. He thought his a good plan.

Refer to the b
for the

LIAM RIA

- 3 -

AIR MAIL

The general feeling here is that rupture will follow on the heels of Morales' return. I am wondering if you impressed on Morales just what rupture means - that it means carrying out all the economic and financial provisions that make rupture of value. If so I would appreciate knowing his reaction! I have the men in the office getting all these matters in shape to press, and it will be of help to know ~~that~~ this was impressed on Morales and had his acquiescence.

It is to be hoped that the tragic elimination of Darlan opens the way to a real unification of the French. It has been very embarrassing here. A mass was held for Darlan and I was invited to attend. Since ninety-five per cent of the French had no use for Darlan here this was embarrassing. I talked with the British Ambassador who was very bitter and said he would utterly ignore the invitation. I compromised by sending the Military and Naval Attachés as an expression of our appreciation of the military service Darlan had rendered in North Africa but did not attend myself lest my presence be given a political significance.

With warmest personal regards,

Sincerely yours,

Bozovic

DEPARTMENT OF STATE
WASHINGTON

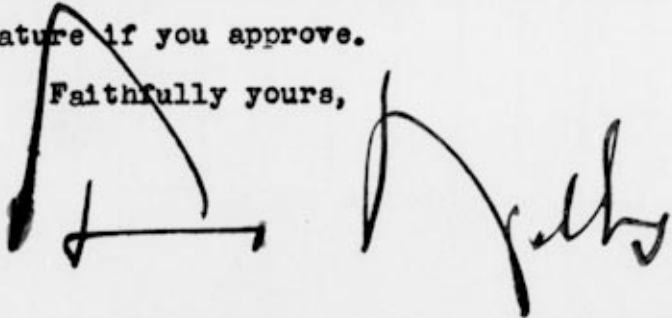
January 9. 1943

My dear Mr. President:

I have received your memorandum of January 6, 1943 enclosing a letter of December 28, 1942, which you have received from Ambassador Bowers in Santiago, Chile.

In response to your request, I am enclosing a draft of a suggested reply to Ambassador Bowers for your consideration and signature if you approve.

Faithfully yours,



Enclosures:

1. Draft.
2. Letter returned.

The President,
The White House.

Department of State

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BUREAU }
DIVISION }

ENCLOSURE

TO

Letter drafted

ADDRESSED TO

The President

Chile folder
1-43

file
personal

Santiago, February 1, 1943.

Dear Mr. President:

Congratulations on the most dramatic and effective act in history. The effect here, and unquestionably throughout South America, has been electric. I am expecting any moment to hear that you have gone to Coney Island to shoot the shoots just for fun and exercise.

I have this morning a letter from the Basques here asking that something be done to release from concentration camps in Africa the Basque soldiers who fought in the Basque country and Catalunya in the Republican army. They say these men would unquestionably join the army of the United Nations and they would be well worth having, for no where have men fought better than these men who for two and a half years, despite every obstacle put in their way, held back the gangster flood from the rest of Europe. It occurs to me as possible that some arrangements may have been made at Casablanca and if so it would be advantageous for me to know, since most of the Spanish here are Basques, and most all the Spanish Republican refugees here are Basques and these have done most effective work for rupture.

Your absence at the time of the rupture, making impossible a quick reply to Ríos, has been painfully embarrassing since with all American Presidents and the King of England telegraphing at once, the general public has done a lot of gossiping and there has been some resentment. I secretly informed Ríos and Fernández but they were sworn to secrecy, and this did not explain to the public. I of course could say nothing in explanation to the press. That is the reason for the telegrams. I have no doubt you will telegraph Ríos before you receive this letter.

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

Naturally enough, the Spanish have taken over for the Germans and Italians, and the Swedes for the Japanese. The latter have been confined to their quarters here, radio and telephone removed, and soldiers stationed on guard about their houses in retaliation for similar treatment in Tokio of Chilean diplomats.

I wrote you a letter I thought of some importance which must have reached Washington after you left and which I think you should see.

Am amazed over the Eddie Flynn matter. It looks from here like a peculiarly cheap kind of politics.

With warm regards,

Sincerely yours,

Wm. H. Powers

S
bell
THE WHITE HOUSE
WASHINGTON

February 16, 1943

MEMORANDUM FOR

PA

Tell Sumner that at this time
I am so jammed in cleaning up all the
work I got behind on that I cannot
see Senor Toledano.

F. D. R.

*Phoned miss
Johnston in Loeble's
Office
2/17/43*

2-10-43

Respectfully referred to
the President.

E. M. W.
E. M. W.

THE UNDER SECRETARY OF STATE
WASHINGTON

February 9, 1943

Personal and Confidential

Dear Pa:

The Mexican Ambassador has asked me to find out if the President will receive Señor Lombardo Toledano, concerning whom I think the President is fully informed. ^x

I am enclosing a memorandum sent to me by Laurence Duggan, the Political Adviser on Latin American Affairs of the Department of State, which sets forth certain specific considerations counter to the reception by the President of Señor Lombardo Toledano. ^x

I am inclined to agree with the recommendations made by Mr. Duggan. Will you let me know what the President's decision may be?

Believe me

Yours very sincerely,

Enc.

Major General Edwin M. Watson,
Secretary to the President,
The White House.

DECLASSIFIED
State Dept. Letter, 1-11-72
FEB 4 1972
By J. Schauble Date _____

PSP Chile folder-1943

x146
x146-A

x20

MEMORANDUM

I am definitely opposed to the President's receiving Lombardo Toledano.

My reason is that the President would be helping to build up a man whose long-run policies cannot but basically differ with those of this country.

You probably know that both the A. F. of L. and the C.I.O. shied off from Toledano. Both organizations consider him a Communist and do not want to tie up with him in connection with the development of an inter-American labor movement.

If the President is to receive any labor leader from the other American Republics now or in the near future, I would like it to be Señor Ibañez who is the guiding force in the Chilean Confederation of Labor, also forthright in defense of the interests of labor. He has no international affiliations. He is a very solid man and made an excellent impression in all circles when he was here representing the Chilean labor at the meeting of the I.L.O.

I recommend, therefore, that a reply be made in the sense that the President's schedule unfortunately will not permit him to receive Lombardo Toledano during any of the days when the leader will be in Washington.

x 429-A
x 87
x 407

Chile folder

February 17, 1943

My dear Mr. President:

Thank you for letting me see Mr. Hoover's message of February 8, which I am returning herewith for your files in accordance with your request.

If the report is true that the President of Chile is planning to appoint Gustavo Ross as his Minister of Finance, it implies that President Rios has made a deal with the Conservative elements in Chile and is throwing over the Left parties who elected him President. There have been some indications that this might be the intention of President Rios, but I have not as yet received any information which would confirm these reports.

Believe me

Faithfully yours,

SUMNER WELLES

Enc.

The File Room has this correspondence.

The President,
The White House.

Chile folder
1-43

*file
personal*

Santiago, March 1, 1943.

Dear Mr. President:

On March 5th Senator Cruz Coke leaves for the States to deliver lectures at Princeton and he will go to Washington where he hopes to have a confidential interview with you, Hull and Welles, with a view to directing his efforts here as we would have things move. I need not remind you that he fought our battle for rupture in the Senate and was our greatest champion. I feel very strongly that you should see him when he is in Washington. Today I had thirty people to luncheon for Eric Johnston with Ministers of the Government, Senators, ex-Ministers, et cetera, and leaders in the Chilean Chamber of Commerce. Johnston told Cruz Coke that when in Washington he wishes to have him to dinner to meet some American Senators and public men. He deserves it.

This morning I presented Eric Johnston to Fernández and the President. Johnston handles himself splendidly and makes a fine impression, and President Ríos went far in advance of anything before in pledging complete collaboration with us in the winning of the war. Johnston extended your invitation and Ríos was like a cat approaching a bowl of cream -- delighted. I think he can be expected early in May.

I am sorry to hear of your illness and hope by this time you have completely recovered.

Warmest regards,

Sincerely,

Claude A. Bowers

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

file
personal

Santiago, March 5, 1943.

Dear Mr. President:

Eric Johnston asked me to telegraph you that President Ríos said that you should be warned that he expects "some tall ones when he gets to the White House" and that he had heard that "you are a champion mixer" and he "insists on sampling your best". I did not think it necessary to cable. Johnston made a fine impression here on the business element and did a very artistic job. But how in God's name did a man with vision and a realization of the necessity of reforms ever get to be President of the Chamber of Commerce?

The Wallace visit will do great good. After you, he is the most popular of North Americans in South America.

General Escudero is leaving tomorrow for Washington. He feels that while war necessities make it impossible for Chile to get much of the best war material under its Lease-Lend Agreement, it should not take all she is allowed under the Agreement in inferior material. He would rather wait for part. He is reasonable and very cooperative, and is so militantly our champion and friend that his viewpoint must not be misunderstood and resented. He has great admiration for General Marshall to whom he is taking a decoration.

I am very much concerned over the Spanish situation, having, of course, no faith in the Axis ally, and no confidence in appeasement in the long run. It seems dangerous to me that General Moscardo, whom I know, is made Captain General of Catalonia, since he is the arch Fascist of Spain, and is stationed at the point where a German entrance may be sought.

Even

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

Even more disconcerting to me is the fact that Muñoz Grande is made Chief of Staff of the Army, since he was the commander of the Blue Shirt Division of Franco's army that fought with the Germans against Russia. The fight in Spain, as appears from our confidential despatches, is between the Monarchists, Restorationists, and the Fascists; but on one thing they are agreed - an inveterate hate of democracy. I am told that there are 300,000 Spanish soldiers in Spanish Morocco in our rear. I can understand the necessity of flirting with Franco in the hope of preventing Spain from active participation, but I am skeptical of the result.

Chile and her President are lining up satisfactorily to me. The spirit of complete collaboration is gaining momentum all the time and rapid progress is being made. A clandestine paper, mimeographed, is being circulated about once in two weeks in which the attacks are still concentrated on me, and incidentally on our Chilean friends who are described as corrupt tools of mine. I enclose a translation of the latest in which you will note that with infinite wisdom I am trying to stir up strikes! That's the sort of fellow I am!

With warmest regards,

Sincerely,

Claude H. Bowles

AIR MAIL

TRANSLATION:

With the object of agitating the Chilean masses and causing strike movements to bring pressure to bear on the President of the Republic, Ambassador Bowers had professional agitators, especially trained, come to the country; among these may be mentioned the Spaniards Diego Tarejo Santana, José Ferreira Aldana, Francisco Perez Raña and the Frenchmen Julio Martens and Enrique Gregoire Saloux. To facilitate their work, Bowers obtained the protection of Morales Beltrami for these agitators.

With the aid of these individuals, Bowers, from the first months of 1942, increased the pressure he was exerting on the Chilean politicians who sided with him. On one occasion, in March 1942, he harshly called to task Grove, Schnake and Bernardo Ibañez for their failure to bring pressure on the Government to obtain rupture of relations with the Axis, pointing out that they had personally received great favors (?) from President Roosevelt and that, despite these favors, their acts did not produce the desired results and he advised them to cause the Socialist Party to threaten President Ríos with the withdrawal of its cooperation if he did not proceed promptly to rupture.

The Counselor of Embassy, Donald Heath, in turn organized a committee for agitation, formed by Hector Arancibia Lazo, Tancredo Pinochet, Alberto Romero, Ismael Edwards Matte, Bernardo Ibañez, Salvador Ocampo, Ricardo Latcham, Julio Barrenechea and others, who undertook a campaign of agitation throughout the country, for which they received funds delivered by Heath himself.

In the middle of 1942 Ambassador Bowers called to a meeting at the Embassy Messrs. Leonardo Guzmán, Rudecindo Ortega, Marcial Mora Miranda, Carlos Contreras Labarca, Máximo Venegas, Julio Barrenechea, Ismael Edwards Matte, Bernardo Ibañez, Marmaduque Grove and some others. At this meeting he told them that Chile was on the road to the most terrifying ruin of its history if it maintained its neutral position and added that if President Ríos did not fulfill what had been promised at Rio de Janeiro it was up to the political parties to make him change his attitude. Dr. Leonardo Guzmán observed that the people favored rupture (?), but that as the Government would not make a pronouncement in this sense it was necessary to create a war atmosphere among the people so that the Government would be led to rupture.

Marcial Mora Miranda stated that he, as President of the Radical Party, was willing to cooperate in any initiative which had as its object the breaking of relations with the Axis and offered the Ambassador his complete cooperation in this sense.

AIR MAIL

- 2 -

Bowers stated that the war atmosphere referred to by Dr. Guzman would be effective if it were accompanied by great agitation of the masses, for if a violent popular reaction were created the Government would be obliged to satisfy the wish of the masses. Those present at the meeting agreed with the Ambassador that they were to present this situation categorically to their respective parties so that rupture should be demanded, and in like manner to lead both Chambers to this position.

In this meeting a foreign Ambassador decided the destiny of the nation. He was able to do this because he had at his service unconditionally a group of corrupt Chileans; and to them belongs the privilege of being the first in our history who have dared to turn over the interests of the Nation to a foreign concern.

Due to this information we do not feel like renewing the argument as to the convenience or inconvenience of the rupture; nor less to raise our flag in favor or against either of the groups in conflict. We only wish to make known the names of some of those who participated in this problem - not moved spontaneously by patriotic motives, but simply as agents in the service of a foreign country. We do this because such people are a threat to the Nation and it is necessary that in the near future they be definitely swept from public activities, the aim of THE CONDORS OF CHILE.

Chile folder
1-43

April 8, 1943.

Dear Claude:

That is a grand report of Wallace's visit in your note of April first. I am delighted that it has all worked out so well -- the enthusiasm and the real expressions of friendship.

I wish I could go to Chile myself!

Always sincerely,

Honorable Claude G. Bowers,
American Embassy,
Santiago, Chile.

fdr/dj

Santiago, April 1, 1943.

Dear Mr. President:

Wallace leaves in the morning for Antofagasta and Arica on his way out, and since I have been with him constantly during the last week, you may be interested in my impressions. The visit has made the most profound impression ever made in Chile by the visit of a foreigner, and the general, and especially the popular, enthusiasm has never been approached. A Chilean tells me that the visit of President Hoover did not approximate one tenth of the enthusiasm. Everywhere he has gone, crowds in the streets have cheered; they have waited patiently for him to emerge from houses. And all political parties have joined to make the reception distinctly national.

On Sunday he lunched as a guest of the Hipico Club, where special races were arranged in his honor. This is an aristocratic club and we tried to escape it but it is a famous organization and this was impossible. The President attended and former President Ibañez, who has attended many of the functions including my own, as well. To my surprise and delight, the President of the Club suggested that Wallace walk through the great crowds in the second and third class. He was accompanied by Ríos and I went along. The astonishment of the masses was evident and their appreciation positively hectic. Their shouts, their attempts to touch him, their eagerness to shake hands was positively touching. Their expressions denoted the utter sincerity of the demonstration.

Thence we went to the Stadium where a popular mass meeting had been arranged under the auspices of the Union for Victory, a great popular organization with

branches

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

branches in every nook and corner of the country, lead by Marcial Mora, former Minister and former President of the Bank of Chile who gambled with his political future and his business to lead in the fight for rupture. The stadium is magnificent and seats close to 70,000 people, and with all the wide aisles occupied as well, there were probably 80,000 people comfortably seated. There must have been 20,000 standing, making about 100,000 people. I have never seen greater enthusiasm. The effect, I am sure, is most decisive on Ríos. After these demonstrations, he can have no doubt of the attitude of the people of this, the most democratic country in South America.

Since despatches will cover details, I merely mention the high spots here. I went with Wallace on the southern trip. We went in the President's private car in a special train which carried leaders of all parties. Aldunate, chief of the Conservatives, went along, with Labarca, the chief of the Communists. There was a fine reception at Concepcion, but we went almost immediately to the great coal mines of Lota, a town of 40,000. After visiting the mines and lunching, we went to a stadium where about 40,000 people had gathered. They were THE people, the men of the mines and their families, and here Wallace made the greatest of his fine speeches and every other sentence brought vehement cheers. It was a fighting democratic speech with all that implies of social justice.

The press has been magnificent. Fifteen reporters went on the special train. Wallace's personality, his simplicity, his manifest sincerity, his inherent democracy has taken the country by storm. Men of all parties join in the general acclaim. Driving to points through the country, when we came to a group of workers or children lined up by the road, Wallace had the car slowed down and he waved to these poor devils and off came their hats with an expression of mingled astonishment and delight that he should give them a glance. Nothing has amazed me more than the taking off of hats by the poorest of the poor who are not here associated much with courtliness. Wallace talked with the lowliest laborers about their work, with the biggest landowners about farming, with social service organizations about their system. Every one speaks of him as "simpatico". Ríos is as delighted as anyone.

My impression is that his visit has consolidated our victory over the enemies of democracy here. It has

shown

shown the timid among the politicians that the people are so overwhelmingly with us that it would be disastrous to oppose their will. It has strengthened the Government, given more courage and strength to the President, taken the heart out of our enemies, aligned Chile where the people have long wanted her to be, by our side. To sum up, his visit has rendered an incalculable service to our cause and to us. His visit will be talked about and remembered for a generation. He has completely won the hearts of the masses.

Eighty year old Archbishop Caro, a liberal, and a sweet old man, enormously popular because he is interested primarily in the poor, so beloved that the other day in a Wallace affair he was given an ovation in passing the Communists, has attended all the functions here. I think Wallace has fallen in love with him as I did long ago. At Concepcion the Archbishop there attended every function, and at his request I rode with him through the crowds. The Church, the Army, the People, and finally the politicians, have been won over by Wallace's manner.

I have attended everything, staying as much as possible in the background, but Wednesday night I gave a dinner at the Embassy having President and Mrs. Ríos, the Foreign Minister and his wife, the Presidents of the Senate and the Chamber, the Chief Justice, Army and Naval Officers, Senator Walker, Conservative, who favored rupture and his wife, Senator Maza, a Liberal who favored rupture, Marcial Mora - about forty-two. The dinner merged with a reception attended by between six and seven hundred with Ríos and his wife lined up in the receiving line and it was three in the morning before the party broke up. I know the reception was necessary.

Larry Duggan has made hosts of friends and admirers here and Lazo has done fine work and made a splendid impression.

After what he has seen and now knows, as well as I do, that Chile is a real living democracy, with us, I have asked Wallace to say to you and to the Department, that it is downright wrong to permit our annoyance at the delay in rupture, due to the sometimes too deliberative processes of democracy, to create a prejudice against the most militantly democratic nation in South America.

with warmest regards
Sincerely,
Claude F. Rowe

(1091)

*Signed original of this letter sent to
Hon. Sumner Welles for delivery
5/19/43*

*Chile folder
1-43*

COPY

THE WHITE HOUSE
WASHINGTON

May 19, 1943

Dear Claude:

Many thanks for your letter of May 1 with its interesting account of current developments in Chile. I am asking the Under Secretary to take up with Lord Halifax the problem of the removal of certain Germans from Chile. While I sympathize with your point of view, we, of course, have to balance against the potential harm which these people might do in Chile the certain fact that if they went to Germany they would immediately be put to work to relieve the increasingly acute manpower shortage in that country. The German Government is, as you know, most anxious to have these people come home.

I note what you say regarding the fundamental democratic principle involved in the question of the cost of maintaining our Embassies. I assume that you are giving the Department your full views on this subject. I feel very strongly that, for the period of the war, entertainment and other representational activities must be restricted to a minimum and that in the giving of social functions our missions abroad should take the lead in the direction of simplicity and even austerity.

It will be good to see you next month and to talk things over with you.

Very sincerely yours,

"F. D. R."

The Honorable
Claude G. Bowers,
American Ambassador,
Santiago.

DEPARTMENT OF STATE
WASHINGTON

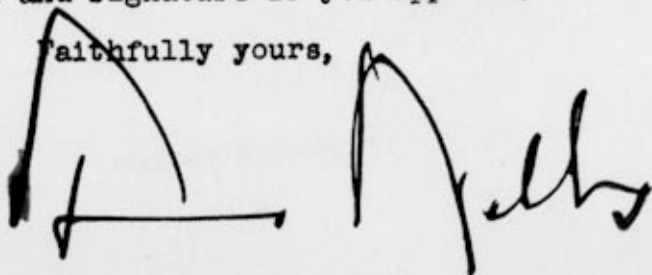
May 18. 1943

My dear Mr. President:

I have received your memorandum of May 11, 1943 enclosing a letter of May 1 which you have received from Ambassador Bowers in Santiago, Chile.

In response to your request, I am enclosing a draft of a suggested reply to Ambassador Bowers for your consideration and signature if you approve.

Faithfully yours,

A handwritten signature in dark ink, appearing to be 'F. D. Roosevelt', written in a cursive style.

Enclosures:

1. Draft.
2. Letter returned.

The President,

The White House.

~~Confidential~~

DECLASSIFIED

State Dept. Letter, 1-11-72

FEB 4 1972

By J. Schauble Date _____

Santiago, May 1, 1943

Dear Mr President:-

I inclose a letter to Welles outlining the present status of the control measure and the reasons.

We are having the greatest difficulty getting the Nazi agents out of the country, which was our primary object in asking a rupture of relations, and unless we get some support from Washington and London there is every indication that they may remain and continue their work. The British are now objecting to permitting any to go out who in any possible way can be used militarily or in industry. This seems absurd to me since four hundred agents here are of far more value to the Axis than they can possibly be in Germany.

Then I feel we should interest ourselves in getting a boat for their conveyance. Fernandez tells me that the Spanish Ambassador tells him that the boat that was to sail from Buenos Aires in May may not go until July. He thinks that Franco is playing this game with the Axis to keep these agents here. He told the Ambassador that this would be too bad since in that event it would be necessary to put the German Ambassador under detention. He also said he had cabled the Chilean Ambassador in Madrid to bring pressure on Madrid to see to it that the Spanish boat sailed according to the original schedule. It might be a good idea for our Ambassador in Madrid to support this request.

Fernandez is 100 per cent with us and for what we want. He told me yesterday that Turkey has asked to send a Minister here. The man proposed he was informed is now in Buenos Aires, but Armour wires me he is not now with the Turkish Legation there. Fernandez wants our opinion before replying. He is suspicious of Turkey and wonders if Von Pappin is responsible for this move. Armour tells me the Turk in Argentina is all right.

I have just been informed that my cost of living allowance has been increased by--\$25. If this is expected to make the necessary expenses of the position no more than the allowance it is grotesque. The living costs, twice what it was and constantly increasing, the present fall in the exchange which means a loss of another \$65 on the cost alone of maintaining the Embassy, together with the reduction in salary through taxation of between five and six thousand dollars, makes it utterly impossible to meet obligatory expenses. It would take \$2000 a year increase in some form, free of tax, to make both ends meet. When we are spending thousands of dollars on trips for students, investigators from other countries, etc, it does seem incredible to me that we are unable, as in the last war, to pay the actual necessary cost of maintaining our embassies. And I think a very fundamental democratic principle is involved in the solution of this problem.

Chile is still talking about Wallace's visit and the good done continues and ~~grass~~ grows. The restaurants are now serving a new dish, "al la Wallace", and because Wallace's hair was always flying in his face

we have a new hair v cut here so we can all look like Wallace. I have been told that his visit here was more brilliantly successful with the public than in any other country.

Rios is arranging to leave here earlier than planned to escape meeting the Bolivian President in Lima. The plan in contemplation is for him to go from Brownsville to New Orleans and thence to Washington by train instead of by plane. Since Chilean commerce enters the port of New Orleans he will have the excuse of visiting the harbour etc. I shall probably have the plan in detail for Washington the first of the week.

Fernandez tells me that the Spanish Ambassador told him "confidentially" that there will soon be a separate peace between Russia and Germany and that this will make possible and desirable a negotiated peace of all the rest of us with Germany and Italy, leaving us all free for Japan. He thought this inspired. I told him it was absurd to think of another armistice and he said he knew it.

Warmest regards,
Sincerely,

David H. Bowles

Hon. Franklin D. Roosevelt
The White House.

Chile folder
1-43

THE WHITE HOUSE
WASHINGTON

May 11, 1943.

MEMORANDUM FOR
THE UNDER SECRETARY OF STATE
FOR PREPARATION OF REPLY
FOR MY SIGNATURE.

F. D. R.

Letter to the President from
Ambassador Bowers, dated May 1, 1943,
enclosing copy of a letter he sent
to Secretary Welles.

Chile folder
1-43

file

DEPARTMENT OF STATE
WASHINGTON

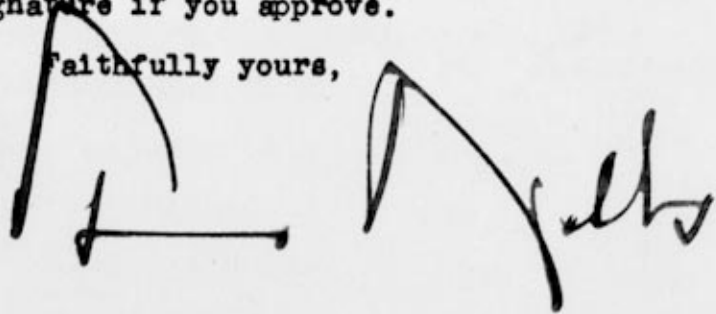
May 22. 1943

My dear Mr. President:

I have received your memorandum of May 19, 1943 enclosing a letter of May 10 you have received from Ambassador Bowers in Santiago, Chile.

In response to your request, I am enclosing a draft of a suggested reply to Ambassador Bowers for your consideration and signature if you approve.

Faithfully yours,



Enclosures:

1. Draft
2. Letter returned.

The President,
The White House.

May 17- 1943

Dear Claude:

I have received your letter of May 10 and I want you to know that I have been counting upon your coming to the United States to be here during the visit of President Rios. The necessary instructions authorizing your trip have, I understand, recently been sent to you. It is also being arranged for Cecil Lyon to accompany you as you requested.

I have appreciated receiving your interesting comments in your letter regarding the favorable effect in Chile of the North African victory.

With best wishes,

Very sincerely yours,

Signed - Franklin D. Roosevelt

The Honorable
Claude G. Bowers,
American Ambassador,
Santiago.

Santiago, May 10, 1943

ack
5/21/43
RAG:MK:MS

Dear Mr President:-

Mr Welles thinks I should go to the United States for Rios visit ,and I plan to leave in early June to remain until Rios leaves us ,since there are numerous matters of a personal nature that require my attention ,and I do not want to go through the heat of July . Five weeks or even four is all I want.

I have asked to take Cecil Lyon with me since I use him constantly in my contacts with Rios and Fernandez and we all understand each other and he is greatly liked. He could be used most effectively in connection with Rios visit.

I think this is a reasonable request ,since in ten years I have had just two months home leave --instead of two months every year for ten years--because of war conditions in Spain and now here. I hope you will support my request with Welles.

The triumph in North Africa has convinced the most stubborn pro-Nazis here that Hitler is completely lost .The pro-German element has been scotched and unable to do much,its organizations proscribed.Just now the Franco Government through its embassies is trying to organize an Indo-American Society which everyone here assumes will try to carry on the anti-American work of the erstwhile Friends of Germany that was ordered disbanded.

The economic and financial control bill will pass Congress beyond a doubt. The spirit here has changed in quarters where a change was most desirable.

Warmest regards,

Sincerely,

Clark G. Bowles

Hon. Franklin D. Roosevelt
The White House.

Chile folder
1-43

THE WHITE HOUSE
WASHINGTON

June 9, 1943.

MEMORANDUM FOR

THE SECRETARY OF STATE

Will you be good enough to
prepare a reply for me to send to
President Rios?

F. D. R.

State Department dispatch, dated
June 7, 1943, to the President from
President Rios explaining why he must
postpone his trip to the U. S.

*Chile folder
1-43*

THE WHITE HOUSE
WASHINGTON

June 16, 1943.

MEMORANDUM FOR
THE UNDER SECRETARY OF STATE:

FOR PREPARATION OF REPLY
FOR MY SIGNATURE.

F.D.R.

Letter to the President, 6-8-43, from Claude G. Bowers, Santiago, Chile, re postponing journey of President Rios: enclosed a copy of his letter 6-8-43 to Mr. Welles, and also attached is Mr. Bowers..

*file
personal* *Chile folder
1-43*

DEPARTMENT OF STATE
WASHINGTON

In reply refer to
RA

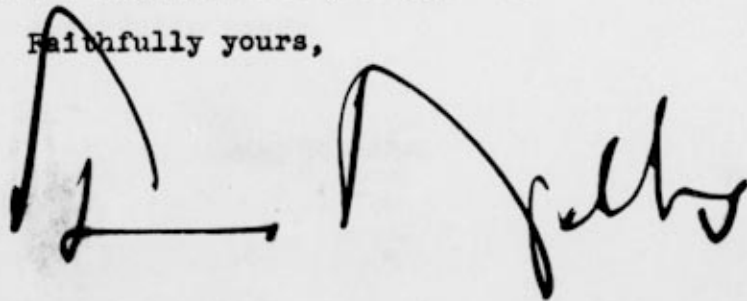
June 23. 1943

My dear Mr. President:

Reference is made to your memorandum of June 16, 1943, enclosing a letter dated June 10, 1943 and a letter dated June 8, 1943, from Ambassador Bowers.

There is enclosed a suggested reply for your consideration, and signature if you approve.

Faithfully yours,



Enclosures:

1. To Ambassador Bowers,
June 19, 1943.
2. From Ambassador Bowers,
June 8, 1943.
3. From Ambassador Bowers,
June 10, 1943

The President,

The White House.

Dear Claude:

I thank you for your letters of June 8 and June 10 giving the background of the latest developments in the Chilean political situation.

With regard to the report which you mention that a Spanish republican was deported from the United States to Spain, I have learned that it is without foundation so far as the interested Government agencies have been able to ascertain. However, if you obtain further details, I suggest that you report them to the Department of State requesting a further investigation of the matter.

Sincerely yours,

The Honorable

Claude G. Bowers,

American Ambassador,

Santiago.

Santiago, June 8, 1943.

Dear Mr. President:

You unquestionably have seen my cables on events here and I enclose a copy of a letter to Welles, in amplification. There is not a scintilla of doubt that Ríos is right in his decision to postpone his journey. It would be almost criminal for him to leave his post at this time under existing circumstances. This also postpones my trip and I am not sorry. Since going to Spain I have never seen Washington and New York but in July and August. Unless there is some special reason independent of the Ríos visit why I should go now, I hope it can be postponed until in September. I am positive that I should not leave here now any more than Ríos. Anything is possible.

I knew before everything that has occurred and no one else in Chile, including any of the Ministers, except Fernández, knew. I was taken entirely into the confidence of Ríos and Fernández. The President was painfully embarrassed by the necessity of postponing his visit and he sent Fernández to me confidentially to tell me what was on his mind. He gave us the information forty eight hours before anyone in Chile in his own Government knew except Fernández.

We have friends at court, with influence in the armed forces, in Escudero and Allard.

Two hours in the refrigerator called the University of Chile resulted in an attack of laryngitis and the loss of voice. Saturday I saw the doctor and was instructed not to talk and to use an inhaler three times that day. From ten in the morning until four in the afternoon I saw people constantly, talked incessantly, and did not use the inhaler until late afternoon.

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

Voice

Voice much better Monday - but Fernández for an hour. Sir Charles Orde followed, the Brazilian Ambassador on his trail, another man, and men from the office. Am about over the attack . I have a method of my own with the loss of voice - talk incessantly, ignore doctor's orders and get well.

What magnificent work our armed forces are doing! It has made a profound impression here.

Sincerely yours,

Wanda H. Bowe

Santiago, June 8, 1943.

Dear Mr. Welles:

Events have moved with such rapidity that I have held off on observations until now, beyond those sent by cable. On Saturday, Fernández asked me to receive him at the house where I was the victim of an attack of laryngitis, saying that he was acting on instructions from the President. He remained an hour. He said the President felt that in view of the turmoil in Argentina, its lack of clarification, its possible repercussions here, it would be madness for him to leave his post at this juncture, and I am sure he was entirely right. I made some suggestions which he carried back to the President and he said he would report back to me later. On Monday he came to the house again and announced the President's decision, which I think was wise. If the movement in Argentina turns out to be more pro-Nazi than otherwise, and it certainly does not appear now to have been pro-rupture, the pro-Nazi element in the army here would find in it inspiration for an imitation, and with Rios absent and the Acting President, Morales, under bitter attack, it might be possible.

More important in Fernández conversation Saturday was his very frank analysis of the political situation. The President has been constantly harassed and crippled in carrying out his mandate by the petty splits in the parties of the Left, and especially by the stupid actions of a sector of the Radical party. These feuds are petty, having much to do with patronage, but, at a moment when conditions are critical and something must be done about the economic situation to reduce the cost of living, the Government is at a standstill. With the Right parties, pro-Totalitarian in character, opposed to the Government and with the Left parties, presumably the governing combination, obstructing legislation because of their feuds, the Government found itself at a critical juncture helpless. The President had importuned the Left parties to close their breaches and submit to party discipline, and he had warned them, but without avail. He had

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

consequently about reached the conclusion that he would have to have an understanding with the Army and get along independently of the parties. And then Fernández shocked me by saying that it would probably be necessary to dissolve the Congress.

-- I listened in silence to most of this, but here I asked if the closing of the Congress would not align the country against the President and create the impression in foreign countries that democracy had been abandoned and a Totalitarian regime created; and, in view of the Axis political character, if this would not be interpreted as a Nazi move. Fernández cited the action of the President of Uruguay as a precedent. I suspect that this idea originated with Fernández.

On Monday, Fernández came to me again to announce the abandonment of the trip and to ask me to transmit the telegram to Roosevelt. He then said the President does not think it necessary to dissolve the Congress, but that with the resignation of all the Ministers he would create a government of administration with members independent of the directors and committees of the quarrelling parties; that he would make General Escudero Minister of Defense and Admiral Allard of the Interior. This, he hoped, would be fair warning to the parties that if they continued to obstruct it would be a simple matter to create a Government exclusively of military men. The gossip of the moment shows the implication is seen.

Ríos unquestionably has a legitimate complaint. The Radicals, constantly quarreling among themselves, were the curse of Aguirre Cerda and I feel they killed him. There have been about twenty or more presidents of that party since I came to Chile. They apparently have no sense of responsibility to the State and least of all to the Presidents of their own party or choice. I would not want this passed on to Michels, who is a Radical and in correspondence with Radical leaders.

Ríos has acted thus far within his constitutional rights. Escudero and Allard are our friends. The one objectionable feature to the reorganization is the combination of the Ministries of Finance and Economy under del Pedregal, which gives him tremendous power. He long was our enemy; he bitterly fought rupture; but we all think he is now trying to make good with us. We can only wait and see.

I have been amazed at the tone of the American and British press over the events in Argentina. I could find

absolutely nothing in anything said by the rebel leaders to indicate that the expulsion of Castillo was to mean a change in foreign policy. Fernández tells me that Rawson went out because he favored rupture with the Axis and he found most of the rebel leaders opposed. Time alone will tell. But I hear from numerous quarters that if a military revolt against the constituted authority does not carry with it a rupture with the Axis, the recognition of the new regime would be an encouragement to pro-Axis elements in South American armies to imitate the example of the rebels in Argentina. It is assumed that recognition will wait on a clear definition of the foreign policy to be adopted.

I note, however, that there is an agreement that all American nations act in concert; and Fernández said that at the meeting of the American heads of missions it was agreed to wait until the new Foreign Minister is in. He says that at the first meeting of the Americans in Buenos Aires the Brazilian and Paraguayan diplomats announced they had instructions immediately to recognize the new regime; but Fernández said this was due to the first impression that the revolt was against Castillo's foreign policy. It occurs to me that the matter of recognition presents some knotty problems and the possibility of establishing a precedent that may come back to plague us for years to come.

II.

Fernández is becoming impatient with the objections raised by the British preventing the expulsion of the Axis diplomats and nationals. We fought day and night for more than a year to get these people out; and now whenever plans for evacuating them are made, our British friends sit back and pick flaws in the arrangements. The matter of the baggage holds things up. On June 30, we can get these people out if some compromise arrangements as to the search of the baggage are made. If not, the diplomats we fought to get expelled will remain indefinitely, continuing under cover the directing of our enemies. The plan here is a search here in the presence of some one designated by the British Embassy, the sealing of the baggage, and no more searches.

The irony of it all is that the British are actually serving the purpose of the Axis, which wishes its diplomats to remain in Chile. I do hope that at Washington some pressure can be exerted on the British to get some cooperation.

They certainly gave me no assistance or even encouragement in the fight for rupture; now that we have it, it is too much to have them prevent making the rupture effective by objections to methods that do not appear to any of us to be impressive. Heath tells me we did not even search the luggage of the Germans in the United States, and he does not think the Germans searched ours. Better far a hundred tons of copper in the baggage and these men out, than the copper in Chile and these men in. I have talked with Orde. He is the type that will not express any opinion on any subject without specific instructions; and such is his caution and timidity that he will not even express his own opinion to his Government. The difficulty must be ironed out in Washington or London. And instructions sent. I do hope we will take an interest so we can get these people out by the 30th.

Warmest regards,

Sincerely,

Sanantiago, June 10, 1943

Dear Mr President:-

Last night in browsing through Austen Chamberlains letters I came across a passage written in 1911 apropos a threatened railroad strike:

"During the strike negotiations, Asquith, Haldane, Winston and Lloyd George met the railway representatives and showed them a telegram from the French Government to the effect that the demands of Germany were intolerable and the German Government most threatening. The French were prepared to resist on one condition. If that were not accepted they would have to give way. It was that England should at once (within ten or fourteen days) send its whole expeditionary force to prolong the French left. Our Government agreed. Are we now, ~~xxxx~~ they asked the railways, to be confronted by a strike? This was why Claughton and Granet gave way. It explains Granets remark to me at Axenfels:

'What can you do when you are appealed to as patriots?'

I cannot imagine why but somehow as I read this I thought of John Lewis.

It seems almost certain now that Rios' drastic action will align the coalition parties, especially the Radicals, behind him, and thus prevent more drastic action ^{which} would ~~be~~ almost certainly be misinterpreted at home. Within eighteen hours the Radicals whose constant bickerings over petty things wrecked the health and cost the life of Aguerre Cerda and has been continuing under Rios, dropped their quarrels, agreed to unitedly support the President .G.Labarca, with more moral prestige than any other Radical, whose actions are determined by fixed principles, who though always in office until recently is poor and given to high thinking, a friend of Aguerre Cerda, who retired from politics a year or more ago in disgust, was importuned to take the Presidency of the party and as a patriotic duty he agreed. Immediately a committee of Radicals

called on Rios to pledge him the united support of the Party. Rios expressed his satisfaction and told them he would immediately furnish them ~~a~~ a list of the legislative measures he considers necessary to meet economic and international problems, and that as soon as these are enacted he will be ~~delight~~ again to have the colloration of the Radicals in his Government. The democratic sentiment of the country was aroused and with it the realization that unless the parties of the coalition support the President, Chile may be forced to a dictatorship. Even Rightest leaders have urged the nations support of the Executive.

Fernandez expressed sheer delight over your reception of the news of the postponement.

Let me reiterate my ardent hope that the British can be persuaded to make the concession that if the baggage of the Axis missions is searched here and sealed, there will be no further search at Tinidad. The British appear to fear that something will be slipped in in Beunos Aires. Fernandez has asked me what I thought of trying to get a boat to take these people on at Valparaiso and change them to the Spanish boat in B.A. without their landing there or seeing any one there. If the British really want to get these people out, and it is vitally important that they be out, it can be managed. And the boat sails on June 30th. There is very little time.

There is great resentment here among the Spanish republicans and leftist Chileans because of the report that a Spanish republican in the United States was sent back to Franco by the American Government. I would like to know the circumstances, for in Chile all our friends are friends of the Spanish democracy.

Hon. Franklin D. Roosevelt
The White House.

Warmest regards,
Sincerely,

Elmer E. Brown

(1241)

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Chile folder
1-43

THE WHITE HOUSE
WASHINGTON

June 29, 1943.

MEMORANDUM FOR

THE UNDER SECRETARY OF STATE:

TO READ AND RETURN FOR MY
FILES.

F.D.R.

Letter from Hon. Claude G. Bowers, Embassy of the
U.S.A., Santiago, Chile, 6/21/43, to the President,
enclosing copy of his letter of 6/21/43 to
Hon. Sumner Welles, setting forth the whole situation
in respect to Fernandez' visit.

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1-43*

THE UNDER SECRETARY OF STATE
WASHINGTON

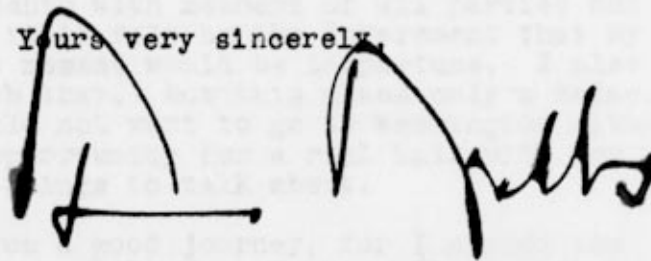
June 30, 1943

My dear Miss Tully:

In accordance with the President's request, I am returning herewith for his files the letter from Ambassador Bowers of June 21 which he transmitted to me with his memorandum of June 29.

Believe me

Yours very sincerely,



Enc.

Miss Grace G. Tully,
Secretary to the President,
The White House.

Santiago, June 21, 1943.

Dear Mr. President:

I enclose a letter to Welles setting forth the whole situation in respect to Fernández' visit. I quite agree with the decision. It also makes obviously impossible my return until Fernández goes. This may be in late or mid July, or a little later. Believe it or not, it is thought here that it would be a mistake for me to leave here under existing conditions, since I have the best relations and personal friendship with members of all parties but the Nazis, and it is felt by the Government that my absence at this moment would be inopportune. I also quite agree with that. But this means only a delay. I certainly would not want to go to Washington without having an opportunity for a real talk with you. There are many things to talk about.

I wish you a good journey, for I assume you are going somewhere - Russia, Turkey, China, Africa, - God knows where. The feeling here is that Italy is through. I hope it is through only on condition of unconditional surrender.

Warmest regards,

Sincerely,

Claudio G. Bowler

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

AIR MAIL

Santiago, June 21, 1943.

Dear Mr. Welles:

I have just cabled you of my conversation with Fernández; Let me try to make the situation clear as I see it; I have had the impression all along that Ríos would like to be a dictator and that he was seeking some excuse to make himself one. I have changed my opinion. I think he would be very happy being a dictator; but from conversations with Fernández I am about convinced that he realizes that the conversion of this government into a dictatorship would be injurious to the prestige of the country and to his own. He is, I am persuaded, convinced that it would be a serious mistake. I believe he actually is trying to get enough authority from the Congress to take care of the profiteers, etc., and no more.

I am about convinced that the Young Turks, of the Radical Party, who are opposing presidential measures, are actuated by a desire to provoke Ríos into taking some unconstitutional step that would put him on the defense, arouse the public against him, and make possible his displacement. The speeches at the Rossetti dinner were unnecessarily provocative and offensive to the President. They rather bore out Fernández' theory that they are trying to provoke a hot-headed President into some unconstitutional measure.

I was really impressed by Fernández' statement to me this morning that Ríos knows that were Chile to take on a dictatorial hue it would be injurious to the prestige of Chile and also of himself; and that he is determined to do everything possible to prevent it.

The President's present plan after a short time is to reorganize the Ministry by placing a civilian in the Ministry of the Interior, that position to go to Fernández who will retain his post as Minister of Foreign Affairs. This will take away the objection that a military man is in charge of the internal order. It will also have this advantage: Fernández is liked and trusted by leaders of all parties since he is not a politician and has no political ambitions, and Fernández can

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

AIR MAIL

- 2 -

probably be effective in impressing on the politicians who importune that Ministry on matters effecting international relations with the diplomatic phase. I think this is quite probable for I know that Fernández is generally liked and trusted.

In making this change, the President proposes to make three Ministries out of the Ministry of Defense: a Minister of War, one of the Navy, one of Air, and I imagine these will be officers of army, navy and air. This will tend to bind the armed forces to the Government and prevent a Rightist coup d'etat.

There is no doubt in my mind that Ríos would like to be a dictator and no more doubt in my mind that he realizes it is impossible. I think that were he to attempt it, there would be a popular revolution, for Chile is overwhelmingly and instinctively democratic.

However, the situation is just now at the critical stage, and I quite agree that it would be a grave mistake for Fernández, who is a perfect liaison with the Opposition, to leave the country at this moment. To reach Washington by the 7th or 8th of July would necessitate his leaving at a critical juncture and I am convinced he should not.

That applies to me, since, believe it or not, the President and Fernández think I am very necessary here at this time because I too have most friendly relations with the leaders of all the parties.

The plan proposed is this: Since the President apparently will be absent after July 8th, it is assumed that he is going somewhere and of course he will return. By the time he returns, the situation will be clarified and then Fernández and I will go to Washington. Since no definite date has been announced in the press, it will not be embarrassing. If anything has to be given out it can be given out that Fernández certainly is coming as soon as his work here will permit.

Today I was invited to a luncheon given by the President of the Chamber of Deputies and was a bit concerned about it when I found that the British and Peruvian Ambassador were not invited. Fearing it might be an anti-Ríos affair, I discussed it with Fernández and found he was invited and was going. I went. It was delightful and I thought encouraging. I had Liberal members on either side of me and next to one of them a Socialist deputy, and all got along swimmingly. I cannot believe that anything serious is going to happen.

AM 51A
AIR MAIL

- 3 -

I was a bit impressed when I asked Fernández what news he had from Argentina. He put on a sour expression and said that his information is that it is turning into an extreme dictatorship. He did not seem pleased.

I have an intercepted letter from Piraud, head of the Fighting French here, regarding his conversation with me when I called him to the office on an issue of his paper rather attacking us for interfering with the meeting of De Gaulle and Giraud. Most of his letter is correct, but not wholly so. What I said was that the moment we were preparing the attack in Tunis and Giraud was in command of French forces it would be manifestly stupid to call off the offensive to permit a conversation which could take place after the offensive. I also reminded him that the beginning of the liberation of France came with our landing in North Africa. Very confidentially--I do not like to be considered anti-British for I distinctly am not-- this man Piraud, a small calibre man, is very close to the British Embassy which is a bit nasty about the De Gaulle-Giraud controversy, and I suspect that the article criticizing us very bluntly had its inspiration. I at least scared Piraud into dropping that line of publicity.

With warm regards,

Sincerely,

CGB:hss

AIR MAIL

Chile folder
1-43

file
personal

Santiago, July 5, 1943.

Dear Mr. Welles:

On Saturday President Ríos summoned me to the palace where I found Fernández with him. As never before since I have known him, he spoke vigorously against the Germans and the Nazis. He spoke with disgust of the fact that for some years the Chileans tolerated the Germans maintaining schools with teaching only in German. "All they were taught", he said, "was to Heil Hitler. I have prohibited that and now teaching in all the schools is in Spanish. The fact is that Germans who have been here two and three generations and are Chilean citizens are still at heart and in reality, Germans. Valdivia is a problem. There they are strong and they are not loyal".

He asked me to see him personally should we be dissatisfied with anything, since he wishes to cooperate fully. I mentioned the fact that the Superintendent of Banks had informed the railroad administration that the locomotives ordered before the war from Essen for which half the price was paid with the understanding the remainder would be paid when the job was done, were now ready to be sent to Switzerland and that the railroad administration must pay some millions of pesos into the German bank. I told the President I assumed, of course, nothing of the sort would be permitted. Ríos seemed astonished and turned to Fernández who said in substance:

"Of course it is absurd. In the first place if the locomotives are ready, we could not get them out of Switzerland. In the second place, it is incredible that with all the bombing of Essen the locomotives are ready. Of course all they want is what they desperately need - money. And, of course, we shall not turn money over to the Germans to be used in the war. If the locomotives are ready and delivered to Switzerland, the money will not be paid until after the war is over".

I was given the distinct impression that we need have no fear of the money being paid.

Never has there been such a tremendous and emotional reaction here to the Fourth. Literally in three large rooms

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

at

AIR MAIL

-2-

the Embassy we could not find a place for all the huge floral tributes that came from the President and Ministers on down. On their request, the Presidential Guard raised our flag at the Embassy in the morning. Army, Navy, Aviation, Carabineros came with bands for separate serenades, and all the high officers of each came to the house in the morning. The press editorials stressed the point that our fight is Chile's fight. Never before anything like that. I made fighting speeches at the University when the Chile-American Cultural Institute held its annual affair, and at the Cervantes Theatre at noon on the Fourth, under the auspices of the Union for Victory, the fighting democratic organization here, and got emotional ovations. I got to the theatre late and the ovation was astonishing when I entered. Cruz Coke made a magnificent speech at the University. At the Cervantes the Sub-Minister of Foreign Affairs and the Secretary-General of the President sat on the stage. It will take two days to acknowledge the letters and telegrams I received.

Ríos said a peculiar thing regarding some of our friends who were for rupture in the Senate. He said that more importunities for the release of agents and spies come from these than from any other source. We know that to be true. I am sure it merely means that from motives of personal friendship these men, like Torres and Ortega, make these appeals for these scamps. That is the trouble here.

The press spread itself yesterday; but the editorials struck a note not heard before in even the Rightest papers that have been under suspicion - that our cause is the cause of Chile; our defeat would mean Chile's ruin.

Sincerely yours,

SANTIAGO, JULY 5, 1943.

Dear Mr. President:

I enclose a copy of my letter to Welles, since you may be interested in my hour's talk with Ríos on his solicitation.

Warmest regards,

Sincerely,

Frank G. Bowles

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

*file
personal* *PSF* *Chile folder
1-43*

Santiago, July 8, 1943

Dear Mr President:-

As of possible interest I inclose a personal, very confidential letter to Welles. Since writing it I learn that over the week-end the President has had intimate conferences first with the party leaders of the Left and later of the high ranking officers of the Army and Navy popularly suspected of having aspirations to follow the example of the Argentine Army, and that these developed into love-feasts and that politically matters are now quieting down again.

Not in my official capacity directly, but because of my personal feeling that you should know, I have set forth certain reactions among our militant supporters here involving Géraud's abrogation of the decree of 1870 giving French citizenship to the Jews in North Africa, and press reports published frequently giving the impression that Britain and ourselves are negotiating some sort of agreement with Franco for the restoration of the pretender to the Spanish throne. I suppose Géraud had something definite in mind, and I can see the necessity of playing with Franco at this juncture for military reasons, but I think it unfortunate that these stories of a Bourbon restoration have a date line from London and Washington. It is not merely the Jews and the Spanish Republicans who are concerned. That would not be so serious perhaps. But all the militant democrats, all the Left parties, and the magnificent organization for ~~Italy~~ Victory which has an enormous

membership in every city and hamlet in Chile feel intensely about these two things . Whether anything can be done about it or not, I am sure that it may be of some advantage to you to know just what people are thinking and saying .

With warmest regards,

Sincerely

Clarence G. Bowers

Hon. Franklin D. Roosevelt
The White House.

Entirely Personal & Confidential

Santiago, July 8, 1943.

Dear Mr. Welles:

want
In view of reports, always current, of a possible military coup d'etat and my skepticism as to the possibility unless something extraordinary occurs or is done by President Rios, perhaps you may ~~way~~ my real feeling about them. I have the utmost confidence in the actual heads of the Army. However, I have no doubt that there is a group in the Army who are impressed with the action of the Army in Argentina and are eager to imitate, especially since the disposition seems to be to express great satisfaction with the speeches of Storni and Ramirez - speeches I have read microscopically without finding in them the slightest indication of a determination to break relations with the Axis. These speeches remind me so much of the talk of the Jordanas in Spain. Now that victory leans to our side, all our erstwhile enemies, of the Axis persuasion, are talking bravely of their "neutrality", and somehow many of our people are taking what seems to me to be a smug satisfaction in this attitude. At first, when Argentina's Army acted, there was an assumption here that we would not like it, since it did not involve rupture. But it is noted that the "neutrality" talk of the Argentine leaders does not appear to have created a bad impression. The press here this week printed the story of the press censorship of the new Argentine regime which lays special stress on the assertion that one of the purposes is to rigidly suppress any paper that does not follow Argentina's policy of strict "neutrality". If this means anything it means that should La Prensa denounce the Axis, it would be suppressed. All this, with its apparently complacent reception by South American papers, has about convinced this coup d'etat element in the Chilean Army that a similar movement here would not weaken Chile's position with us.

However, I doubt an attempt at a military coup for this reason: At the most, I think, no more than 50 per cent of the Army favors anything of the sort. And then the Carabineros, outnumbering the Army, and picked men of extraordinary military capacity, are said to be absolutely opposed and determined to stand by the constituted authority.

I

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

DECLASSIFIED
State Dept. Letter, 1-11-72

By J. Schauble Date FEB 4 1972

I am told by people who ought to know that the fifty per cent element in the Army wanting to imitate the Argentinians find nothing promising in the prospect of being opposed by 50 per cent of the Army and the whole of the Carabineros.

An interesting feature has just come to my attention. The Carabineros are said to be almost wholly Masonic.

General Berguño, who is President of the Military Club and credited with having excellent military capacity, stands out as a possible leader of the coup d'etat element. He and Escudero are not cordial. I have recently seen Berguño a number of times and he has manifested extraordinary cordiality for us. His obsession is the Communists and I am sure he would like to have power that he might use it drastically against the Communists, and I am sure he is among those who feel that labor should be "put in its place" and kept there if necessary with bayonets. I am quite sure he is not pro-Axis or pro-German, and that he is not unfriendly to us. He is actuated largely, I am sure, by his extreme Rightist views. Should a coup take him to power, I am sure that it would not mean any alteration in Chile's attitude toward us in the war. But if his purpose would be an attack on the Communists and labor, I think there can be no doubt that a general strike would follow and that the production of war material needed by us would be greatly reduced, if not stopped.

I am afraid that the injection of military men into the Government has given the Army a taste for political power, and that should Ríos make satisfactory arrangements with the Leftist parties for discipline and support, and reorganize the Government on a purely political basis, with the military men excluded from the Ministry, there would be a dissatisfaction in the Army that did not noticeably exist before he included them. I was surprised the other evening in talking with Escudero to note some bitterness over the prospect of a purely political Government composed solely of the representatives of the political parties. But the General had had about two more drinks than he needed and he talked with indiscretion.

Meanwhile, however, I have heard nothing different from Government since Fernández told me that Ríos will reorganize the Government with a civilian in the Ministry of the Interior, but with the Ministry of Defense split into three Ministries - War, Marine and Aviation - with military men in each.

This is clear as mud, as I realize. But so is the situation. I am giving you my own state of mind and my secret

thoughts

thoughts about it on the assumption that you may like it for background.

II.

I am a little concerned, too, because of the bad reaction toward us of Leftist elements and refugees that have been in the front line trenches fighting our battles for rupture and for carrying out all the implications of rupture. The action of General Giraud in abrogating the agreement of 1870 made by France in the early days of the late Republic giving complete citizenship to the Jews in North Africa, has caused astonishment. The fact that the Vichy Government acted similarly and clearly on the urging of Hitler and Laval, makes this seem to almost everyone I have talked with the very negation of the things for which we are fighting. We are held responsible for Giraud, and I have heard the opinion that he represents the Right wing of the French Army which notoriously was playing with the enemies of French democracy before the war and which is responsible largely for the present humiliation of France. I do not know the purpose of Giraud in this abrogation, but it is difficult to explain or defend. I had become thoroughly disgusted with de Gaulle, but I must confess that this action of Giraud gives some color to the opposition of the de Gaullists.

Then, too, there is much surprise and uneasiness among the Leftists here, and, of course, among the Spanish Republicans, because of the press reports constantly going out indicating that Britain and the United States are quite pleased with Franco and Jordana and quite satisfied with an arrangement which will disregard the democratic sentiment of Spain and restore a Bourbon to the throne with the blessings of these two democratic nations. I can see, of course, that for military reasons at a critical time it is necessary to play with Franco and Jordana and pretend to a satisfaction we do not feel; and also that it may be to our advantage to play the monarchists against the phalangists. But this need not be put into the press in such a way as to indicate our complete satisfaction. And if put into the press, it seems unfortunate that the stories should be dated from London and Washington.

If only the Jews and the Spanish Republicans were affected by these stories it would be bad but not serious, perhaps; but the Leftist elements, all the democratic elements in Chile, are militantly in sympathy with the Jews and with Spanish democracy, and I find a disconcerting skepticism growing as to our democratic motif. If true here, it must be true generally.

I have no doubt that there are adequate and immediate reasons for all these things, but the unfortunate thing is that the facts are being published without the explanations which, for manifest reasons, cannot be. But I am sure you will want the reactions to them among our friends as I find them here.

Sincerely yours,

Chk

Chile folder 1-43

file
personal

Santiago, July 29, 1943.

Dear Mr. President:

Just a word of warmest congratulations on your fighting speech of last night which is featured in all Santiago papers today, and Fernández, the Foreign Minister, asked me to add his congratulations. I was delighted especially with the promise that Mussolini cannot escape the penalty for his crimes by resigning on the approach of the police, and with the sentence: "We will have no truck with Fascism in any way, shape or form. We will permit no vestige of Fascism to remain". The downfall of Mussolini created a sensation here and the effect on our erstwhile enemies has been magical.

I do not think I wrote you of the message sent me by the Nuncio through the Foreign Minister; a request that I do what I could in Washington to prevent the bombing of Rome. The Minister told me that thus far he talked as a Catholic but immediately he began to talk "like an Italian" in that he said that it was terrible and futile to bomb Italy and Sicily. The Minister says he told him that it was "absurd" to talk about not bombing Italy and Sicily, and that he himself, while regretting the necessity, thought it inevitable that Rome would be bombed for the military objectives. The Nuncio, by the way, was for a number of years the private Secretary of His Holiness. I have never been quite able to figure him out. The Yugoslav Minister, who talks Italian with him, and who is a Catholic, tells me that the Nuncio, in confidential conversation, has been very bitter against Mussolini and calls Hitler an anti-Christ. He is most cordial with me.

I have just written Welles of an interview this morning with Fernández in which he said that he is convinced Argentina and Brazil are trying to work up an

anti-Communist

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

anti-Communist crusade on the continent, predicated on the at least simulated fear that Russia plans the domination of Germany and Central Europe. I have no doubt both the Ambassadors here have been feeling him out along this line. In the beginning, both were so anti-Communist that I felt neither was pro-democratic, and they certainly, in the beginning, said nothing to indicate they were anti-Nazi. However, Gracie, the Brazilian, has been pro-United Nations for months now, and he has been my closest collaborator. But he is intensely Catholic.

But Fernández places his own interpretation on this proposed crusade. He thinks the object is to try to drive Chile from its traditional democratic orbit and into a military dictatorship. Coming from Fernández, this is interesting.

Warmest regards,

Sincerely,

Claude G. Powers

C
O
P
Y

(1566)

*Signed original of this letter send to the
Office of the Sec. State for delivery.*
hm

THE WHITE HOUSE

WASHINGTON

August 3, 1943

Dear Claude:

I have received your letter of July 16 with
its enclosures. I appreciate your keeping me in-
formed concerning these matters.

The sweeping and erroneous use of labels is
something which we too have to contend with.

Very sincerely yours,

(Signed) FRANKLIN D. ROOSEVELT

The Honorable

Claude G. Bowers,

American Ambassador,

Santiago.

EB.

Chile folder
1-43

*file
personal*

DEPARTMENT OF STATE
WASHINGTON

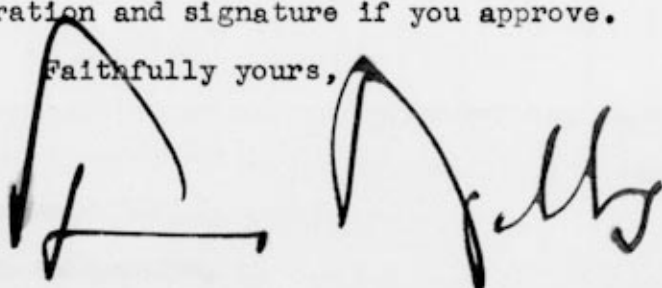
July 31. 1943

My dear Mr. President:

I have received your memorandum of July 26, 1943 enclosing a letter of July 16, with enclosures, which you have received from Ambassador Bowers in Santiago, Chile.

In response to your request, I am enclosing a draft of a suggested reply to Ambassador Bowers for your consideration and signature if you approve.

Faithfully yours,

A large, stylized handwritten signature in dark ink, likely belonging to Franklin D. Roosevelt, written over the words "Faithfully yours,".

Enclosures:

1. Draft.
2. Letter returned.

The President,

The White House.

Santiago, July 16, 1943

Dear Mr President:-

The inclosed letters to Welles deal with a matter^s of considerable importance which is not without an alarming feature. You may find it worth while to have this information for background should anything eventuate.

I still withhold my cheers from the new Argentine Government that is going to, and is in fact now, according to Storni, cooperating with the American nations, but wh^{ch} has just announced the suppression of eleven organization^s supporting the Democracies in the war under the good old Nazi pretext that they are "communistic". There are very few communists in Argentine but there are a lot of democrats and a lot of liberals--which to facists, nazis and Falangists means "communists".

I have asked the Spaniards here who had been sent, as charged, back to Franco. They received their information from an Argentine paper. The name is Tomas Serantes, a Spanish refugee in Mexico, who appears to have crossed the border without right and to have been arrested. I hope he was not sent back to Spain, since I have no doubt Mexico would have taken him back.

I note in the very confidential telegram received daily that Franco says plainly he will not tolerate a monarchist restoration since the sentiment is not strong enough. This is true of course for no one in Spain but the old reactionary aristocracy and nobility want a monarchy. But it appears Franco is persuaded it is not necessary to get rid of his

facist regime since he says that after the war the Democracies will all adopt his form of Government. The more I hear of Franco the less sacroscent he is to me .

I have just read what purports to have been a speech by Hayes which I prefer to think was never made. It said that "the future Government of Spain will not be determined by the United States or by the

Spanish refugees outside Spain but by those in Spain". Since the refugees are the Spanish democrats who in Spain would have been shot wholesale or imprisoned ,I find it difficult to understand this prejudice against them. Naturally I do not share it. When the prisons have been emptied of their thousands of political prisoners and the refugess are permitted to return to the homes they so valiently defended ,then and then only can a vote determine the will of the Spanish people. I imagine Hayes has been misquoted. I hope so.

Warmest regards,

Sincerely,

Clara G. Bowler

Hon. Franklin D. Roosevelt
The White House.

Santiago, July 16, 1943.

Dear Mr. Welles:

Commander Rockwell came to see me yesterday morning as an emissary from the head of Army Investigaciones here to warn that some Communist leaders may be arrested and to express some concern lest we interpret it as a move of the Nazis. He wanted me to understand that this is not the case. I have said nothing to him and shall not. But I am both concerned and amazed.

Just at a time when I am preparing to follow up a conversation with Fernández in which I talked very plainly about the release of a great number of Nazi agents and spies arrested on information in possession of the Government, which does not appear to worry the Army in the least, it is disgusting that the Army should suddenly become so deeply apprehensive about the Communists.

Disgusting for these reasons:

(1) The Communists here have supported us one hundred percent and most effectively in the matter of rupture and in the fight on the Nazis. In truth, the most militant and effective support we have had has come from their well disciplined organization. We have had the opposition of the Rightest parties, as parties, and have had very weak support, as you know, from the Radical party.

(2) The Communists have supported the constituted Government far more loyally than any other party, far more so than the Radicals, the President's own party.

Rockwell was told that these "Communist leaders" would be arrested lest there be a general strike. The answer to that is this: There has been no general strike. In the case of threatened strikes, Contreras Labarca, the Communist leader, has gone to the fullest extent

in

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

in preventing it on the ground that it would interfere with our war effort, and has immediately sent emissaries to stop it. He said that if the emissary failed, he himself would go.

So the talk of a general strike seems rather far fetched.

I am strongly of the opinion that the contemplated action of the War Investigaciones would do more to precipitate a general strike than anything else. It might almost force it. And I am wondering if that is what the reactionary Rightist leaders want and if they are just using certain reactionary Army elements. In days of peace, Chileans can do whatever they please about their domestic political problems and it is none of our business; but it is in the interest of the Nazis to precipitate such a controversy in the midst of the war.

I am astonished for these reasons:

(1) Contreras Labarca was a dinner guest of the President on the occasion of the visit of the Paraguayan President, who was astonished to find representatives of all parties at the Moneda dinner. The Communist leader also went on the southern trip with Wallace, along with the leader of the Conservative party.

(2) President Ríos, I am told, said the other day, that there are three kinds of Chileans:

"Those who wish to drive me out; those who wish to drive me to a dictatorship; and those who think I must rule with the Left parties that elected me. I am of the third class".

The danger of a military coup d'etat seems to me improbable for this reason:

It is generally understood that not half the Army officers favor a military dictatorship. More than half will stand with the President. And all, ALL the Carbaneros, constituting a larger force than the Army, and composed of men as good or much better, are openly for the President.

That

That being the situation, the only chance for a military action is to create a situation involving strikes; and I am sure there will be no general strike if the status quo is maintained and there certainly will be a strike if Communist leaders are arrested.

I am afraid that some of the Army have not entirely lost the enthusiastic hope they had when the Army in Argentina took over. That action was falsely ascribed to the "Communist peril", the old Fascist technique. I note that eleven organizations for the support of the Democracies have been suppressed by the Argentine Government on the ground that they are "Communitistic". The good old Fascist technique in Spain! Dear me, how well I recall that I was a Communist and "red" because I stood for democracy in Spain against the combined Axis forces there. And this message, through Rockwell, suggests to me that the anti-democratic element in the Army here would like to imitate the Argentines in this respect.

All this may not eventuate but I send it to you as background for possibilities. It seems to me now there is little, if any, danger of an upheaval here since the President has apparently about reached an understanding with the Left parties having a substantial majority in Congress.

II.

The gravest danger to the régime here is the startling skyrocketing of the cost of living. This is outrageous. The mass of the people cannot bear the burden. As Harris reported, the cost of living here is higher than in any other South American country; and as high as in the United States, where labor receives princely wages in comparison.

The President realizes this and he has just done something that has puzzled me no end. He has named as the head of the organization to control prices, et cetera, Ramon MERGARA Montero. This man formerly was Intendente here. He was thought to be pro-Nazi, as his brother, an Army officer undoubtedly was one. He is the man who prohibited anti-Nazi pictures while permitting Nazi pictures in half the theatres and even in Army barracks. I had a hot fight with him and he was removed. He is a strong man of great daring and has figured in the gossip as one of the three ~~men~~ most likely to head a military coup.

Why then his appointment? It is possible that,

First,

First, he was named by Ríos to bind him to him.

Second, that he was named because he is not afraid of the devil, is a man of action, and if he is in earnest about control, he will not be afraid to act against the profiteers no matter how important politically or how powerful financially.

In this position he can do us no harm unless he were to attempt to create the impression that we are responsible for the high cost of living here, and I am positive the President would not tolerate that.

Viewing his appointment realistically, therefore, I do not think there is any occasion for alarm, and it may bring him into line with us.

Warmest regards,

Sincerely,

Charles H. Brown

Santiago, July 16, 1943.

Dear Mr. Welles:

Since writing the letter you have just read, I have heard a more startling thing brought me by Wall. A meeting was called this week of all those dealing with espionage and presided over by Garreton, head of the Civil Investigations. He opened the meeting by saying that it was called to consider ways and means of more effectively dealing with Axis agents and espionage. Colonel Quesada, of Military Intelligence, at once spoke up and said that his people were not so much interested in this, but that they were concerned with the Communists. Garreton then said that the Russians are fighting with the Democracies in Europe and that the Communists here are supporting the President and the constituted authority, and if that was the position of Quesada's people there was no reason why the meeting should continue; at which Quesada got up and walked out.

Colonel Johnson tells me that we were very much in doubt as to Quesada's position on the war for a very long time, but that lately pro-Ally officers have said that he is all right on the war.

In talking with one of these men with the Communist obsession, Johnson asked him if arrests of Communist leaders would not mean a general strike. The reply was that it probably would, but that it would not last more than five days and when the leaders had been "shot", they would settle down. My own impression is that the shooting of these leaders would lead to a class war here of the first magnitude, and wreck our war industries here. I have been unable to get a definition in terms of men of the word "leaders". If it actually includes men like Ontregas Labarca, it would mean grave trouble and probably civil war; if it means some irresponsible agitators here and there, called Communists, and probably not at all, it might be different. But it is my observation that by making a martyr out of a skunk you play a silly game.

Sincerely,

Claude H. Bowles

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

Chile Folder
1-43

THE WHITE HOUSE
WASHINGTON

July 26, 1943.

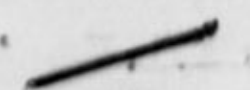
MEMORANDUM FOR

THE UNDER SECRETARY OF STATE

FOR PREPARATION OF REPLY
FOR MY SIGNATURE.

F. D. R.

Letter from Ambassador Bowers
to the President, dated July 16, 1943,
enclosing copy of a letter which the
Ambassador sent to Secretary Welles.



MISS TULLY:

FOR THE PRESIDENT

Chile - 1943
file

OFFICE OF THE
UNITED STATES OF AMERICA

Santiago, August 10, 1943.

Dear Mr. President:

Hugh A.

x 87

You may be interested in the tour through South America of Senator Butler of Nebraska, who is here now. Very confidentially, certain things impressed and concerned me. When I met him at the plane I found Mr. Cussen, the head of the Electric Company and the Traction Company, American properties, who had been asked to meet him by the leading public utility man of Nebraska. That rather fixed the Senator's status. I had a three hour conversation with the Senator on Friday afternoon. He had with him a Mr. Mumford, acting as special secretary, and I was shocked when asked by him if I did not think the way to handle South America is to go back to the "big stick". These were the words he used. I told him that I thought it would be fatal to our relations with South America, that the events of the last ten years had done much to wipe out the old anti-Yankee feeling. I did not know what impression I had made.

Then on Saturday morning I took Butler to call on President Ríos. During the course of the conversation Ríos said:

x 429

"Of course there has been a strong anti-American sentiment in Chile and in South America for a very long time and it has been deep seated. It has been largely eradicated in Chile since President Roosevelt went into power because of his policies and the confidence of the South Americans in the reality of his friendship".

That seemed to hit the Senator between the eyes.

At noon that day I had the Senator to lunch at the house with a few Senators - Cruz Coke, Ortega, Lira Videla, and Grove, - a Conservative, Radical, Liberal and Socialist, - all warm partisans of ours and great admirers of yours.

I

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

x 20

I had the Senator between Cruz Coke and myself and you can imagine what Cruz Coke said about you and your policy. All four Senators, outstanding here, are militantly our friends and yours.

It was arranged there that Butler could be invited to the Senate for Monday at 4:30. Butler was enormously pleased and almost humble, since no where else has he been accorded such distinction, and the fact that I am rather more notoriously a fighting Democrat than any other head of mission he has met or will on this continent, I think it has made a strong impression on him. At any rate he asked me to go over the brief speech he ~~would~~ make, saying he would be guided entirely by me. I have just gone over the speech which is perfect in tone and content.

If Mumford made an impression on him with his "big stick" propaganda I am sure he has been thoroughly educated on what an abandonment of the present South American policy would mean in our relations. He frankly puts it that his trip has "educated" him.

I attended the press conference for him, rather apprehensive lest the reporters by their questioning develop partisan differences at home affecting our Good Neighbor policy and I warned him. An attempt was made by the reporters but he handled himself well, and said that in such matters there was no party difference.

It might be well to learn something about Mumford. He made a bad impression on members of my staff, as well as on me, and I have the impression that he had a job for the Republicans of smelling out things that can be used by the opposition. But he certainly was not clever about it.

x I have just lost the most charming, and in my opinion the most irreplaceable member of my staff, Cecil Lyon, called back to the Department. He is a son-in-law of Joe Grew and was enormously popular here, despite the fact that he is a Harvard man! Keep your eye on him. He is somebody.

Sincerely,

Clarence Brown

x PP7730

x 303



THE FOREIGN SERVICE
OF THE
UNITED STATES OF AMERICA

AMERICAN EMBASSY
Santiago, August 10,

Dear Steve:

The enclosed letter to the President is very confidential because it deals primarily with American political matters. For that reason I am enclosing it to you for transmission.

Sincerely,

Charles F. Brown

Enclosure:

Letter, as stated.

The Honorable
Stephen Early,
The White House,
Washington, D. C.

Chile folder 1-49

file
personnel

Santiago, August 17, 1943

Dear Mr President:-

Berle has just sent me an elaborate report on the Spanish republicans in South America in which I am mentioned. I have in consequence written him and I am inclosing a copy. I am rather proud to be known as hoping for the ultimate restoration of Spanish democracy, but poor old Soriano, almost eighty, and almost childish in his feebleness got it a little wrong. The possible attitude of the Government naturally was never discussed with Soriano.

Warmest regards,

Sincerely,

Wanda H. Bowles

Hon. Franklin D. Roosevelt
The White House.

PSF: Chile

Santiago, August 17, 1943.

Dear Mr. Berle:

I have read with much interest the report on "Spanish Republican Groups in the Other Republics". For the most part it is a reasonably accurate description of the situation, but the "feuds" existing, as reported, in the Republican ranks in Spain before the Fascist International, lead by Hitler and Mussolini and their armed forces, brought on the bloody war with the tragic results to Spain now so evident are exaggerated. There were differences among the real Republican parties as to policies just as in the United States and England, but there was unification among them against the Fascist and Monarchist elements in the election of 1936. Among the Leftist elements, the Syndicalists and the Anarchists were not united with the real Republican and Democratic parties. I doubt if the Anarchists, born and developed since 1868 under the monarchy, can be called "Leftists". Great numbers of them in rebel territory were with the Franco forces and many in Barcelona went over to Franco during the war.

The only serious schism, I think, was that between Negrin and Prieto - both Socialists. Prieto was a great parliamentarian, a really brilliant and impressive orator, for years the spokesman in the Cortes of the Socialists and the greatest debater in that body aside from Azana. Negrin was a member of the Cortes but never spoke and he was not a leader until during the war. Prieto was of the Right wing of the Socialists, very close to the Azana republicans; Negrin was of the Left wing. The removal from the Ministry of War of Prieto by Negrin after the rebels broke through to the sea, was bitterly resented by Prieto. I know the reasons, the claims of both men, both of whom I personally know.

Prieto hated the Communists, Anarchists and Syndicalists; Negrin was certainly of neither group. But in the war it was necessary to use all three against the Fascists. Negrin told me after the war that he had trouble with all three but he found that when he had an understanding with the leaders of the Anarchists and Syndicalists one day, the next the

understanding

The Honorable

Adolf A. Berle, Jr.,

Assistant Secretary of State,
Washington, D.C.

AIR MAIL

Mr. Berle

-2-

August 17, 1943.

understanding was disregarded because the leaders could not control their men; that he had just as much trouble getting an understanding with the Communists, but when an understanding was had with their leaders, he could dismiss it from his mind. He therefore used them.

The Communists were not impressive in numbers before the war. In the Cortes, when I went to Spain, there was just one Communist in a body of 450 men; when the Popular Front was formed, literally forced by the unification of the anti-Republican parties, they elected 16 - out of all proportion with their strength. To illustrate: In Madrid it would have been impossible to elect a Communist dog-catcher, running as a Communist. But there were 17, I think, members from Madrid and in making the ticket, one Communist was put on. He was elected, not as a Communist, but as a member of the Common Front. So in other sections.

During the war there was much gratitude to Russia because Russia alone was willing to sell arms and ammunition. She alone helped. The Western Democracies persisted in keeping up the mockery of "Non-intervention", concentrating on preventing the constitutional legal government from buying arms and ammunition. The effect on men fighting for their lives was inevitable. They were as grateful to Russia then as we are now; they accepted Russia's help as gratefully then as we do now.

But Spaniards are temperamentally antipathetic to Communism as much as to Fascism.

I note I have been distinguished by mention in the report in a quotation from Soriano. He is wrong in saying that I favor a "Spanish Government in exile". I never have said anything of the sort, knowing it inopportune. I most certainly, being an American and a Democrat, hope for the restoration of a Democratic Republic in Spain when the rotten fabric erected on its ruins falls of its own putridity. President Roosevelt knows that Soriano is wrong in his assumption that I have written him about recognizing a Republican Government in Spain when the war is over. I have expressed the hope to President Roosevelt that the Spanish people may be permitted to determine for themselves in a plebiscite the kind of government they want; and have said that this cannot be determined by a vote until all the political prisoners still held, four years and more after the war, are released and the thousands who fought the Fascists for two and a half years and went into exile, are permitted to return home to vote.

That

That plebiscite, if honest, would not result in a restoration of a Bourbon King. Up to the time of the war, the Monarchists could not elect more than 12 or 13 members of the Cortes. The restoration of a Bourbon King, is-
the wish of the people.

Here, and throughout South America, the Spanish Republicans have militantly and effectively supported us in our fight for rupture of relations with the Axis. The small aristocratic monarchist element have been militantly against us and pro-Axis. I have had a natural partiality for those who have supported our cause.

My relations with Soriano have been friendly, but my contacts have been in connection with the Quaker organization which helps refugees in dire trouble. It furnished money to get a wooden leg for a brilliant young Spanish poet here, and also for the care of another Spanish artist suffering from consumption. I worked with the Quakers during the Spanish war.

I am very proud to be placed among those friendly to Spanish democracy by those who know. When Fernando de los Rios, an old friend was here to lecture in the University I had him to lunch. When Aguerre, the Basque President, now on the faculty of Columbia, came here he not unnaturally called on me and I was glad to see this really fine character. When Martinez Barrio and Maija were here, they called upon me as old friends. When another friend, of whose friendship I am proud, Augusto Barcia, Minister of Foreign Affairs in Spain and leader of Azana's party in the Cortes, sent me from Barcelona the fine two volume study he had written on San Martin, I recommended it to book sellers here. It had nothing to do with the war.

But in Soriano's letter to the effect that I had written, as he says, to Roosevelt, he is mistaken. I certainly never told him so. But he is a very old man, he must be near eighty, and he is apt to get mixed. He is very feeble now.

I can see but one solution for Spain. When Franco's regime goes down, the Spanish people, and all the Spanish people, and no one else, must be permitted to determine the form of government under which they wish to live. I believe that is what we are fighting for now. But that can only be determined by a plebiscite of all the Spanish people, and not until after the war. In the meanwhile I can see no

useful

AIR MAIL

Mr. Berle

-4-

August 17, 1943.

useful purpose in forming a connection with any government in exile; and least of all of committing ourselves to the restoration of a Bourbon King, regardless of the wishes of the people.

I would not bother you with my views at such length but for the fact that I assume all our Missions have been furnished copies of the report in which I am erroneously quoted. I am sending a copy of this letter to the President.

Regards.

Sincerely,

file
Pres. mat.

PSF

Chile folder 1-48

Santiago Nov. 11-43

Dear Mr. President:-
Very soon
senator Cruzaga, former
ambassador to Washington,
who rendered great assistance
to Hues at the conference in
Uruguay and until recently
was President of the Senate will
be in Washington. He is our
elder statesman, very
charming and a very good
personal friend.

If you could see him for ten
minutes it would be
helpful. Since he shares
your vice of stamp collecting
and too, I think, exchanged
letters with you on that
fascinating weakness
I am sure he would not
burden you with any
problem of statesmanship

Warmest regard

Claude G. Rowe

I enclose copy cable that
I am sure is worthy of
attention.

DECLASSIFIED
State Dept. Letter, 1-11-72
By J. Schauble Date FEB 4 1972

TO: Department DATE: November 10, 7 p.m. - 1943
NO.: 1922
CODE: Brown CHARGED TO: Embassy

1922, November 10, 7 p.m.

~~CONFIDENTIAL~~ FOR STETTINIUS, DUGGAN AND BONSAI

As you may know we have been making an effort to get an increase in the supply of print paper for the press and of glucose for the local paper factory which supplies one of the two greatest papers in Santiago and numerous papers throughout the country. I have just had a conversation with James Miller, the head of the United Press in South America, regarding the new decree issued by the Nazi Government in Buenos Aires which might have been written by Herr Goebbels. It declares that paper, including that which we send to Argentine must be equally divided and that Pampero the most offensive of Nazi organs and another Nazi paper shall have their full share - - which means their full share of paper sent from the United States, and that the Nazi Government will see to it.

But I was startled to hear from Miller that while we in this Embassy have to fight constantly to get enough paper to keep the press here going, and while we get but 550 tons a month from the United States for

for the papers supporting our cause in a democratic republic, we are sending 5000 tons a month to our enemies in Argentina. This seems incredible to me, as it evidently seemed to Miller. ~~the best contribution we can make to~~

~~those~~ The new decree is the most direct and arrogant challenge we have yet had in Argentina. It occurs to me that in view of this decree we might well discontinue sending any paper to Argentina and distribute that 5000 tons among the nations that are with us and not against us. I know of course that this would hit the two important papers in Buenos Aires that are friendly to our cause, but now the Government decrees that whatever we send for their use an equal amount of our paper will be given to the papers that are fighting us tooth and nail; and if as a result of shutting off the supply the two papers favorable to us suffer, the responsibility will be on their Government and not on us. I suggest that serious attention may well be given to the shutting off of the paper and the distribution of it among the countries that are with us.

All Chileans returning from visits to Buenos Aires comment with astonishment on the fact that there is no evidence of scarcity there in anything; that the people are prospering because they are suffering no deprivations from the United Nations; and the fact is being used by Nazi elements in other countries to sustain the thesis

that

that it was a mistake to break relations with the Axis, because the one that maintains relations is prospering and suffering not at all through its adhesion to the Nazi cause. Surely the best contribution we can make to those wishing the overthrow of this Nazi regime is to put the pinch upon them.

BOWERS

OGB/cdw

Encoded: lda cdw

Chile folder 1-43
File Personal

THE UNDER SECRETARY OF STATE
WASHINGTON

November 27, 1943

MEMORANDUM TO MISS TULLY

The President sent us a memorandum on November 8 with which he enclosed a letter from Ambassador Claude Bowers. In accordance with his request, I am herewith returning the letter to you for your files.

E. A. Tamm

Enclosure:

From Ambassador
Claude Bowers,
October 29, 1943.

PSF: Chile

EMBASSY OF THE
UNITED STATES OF AMERICA
Santiago, October 29, 1943.

Dear Mr. President:

Senator Cruchaga, former President of the Senate, Ambassador to Germany and the United States, frequently Minister of Foreign Affairs in the old days, and a proven friend of ours at one or two Pan-American conferences where Hull thought him his best collaborator, is visiting the United States, to accompany another former Minister of Foreign Affairs, Jorge Matte, to the Mayo Clinic. He is one of the two or three real statesmen in Chile, and a member of the Conservative Party. He has been my close friend since I came and is friendly to us; and because he is of the conservative element, very valuable to us. He has exchanged a letter or so with you because he shares your weakness for stamp collecting. When he is in Washington, if humanly possible for you to receive him for a few minutes, it would be to our decided advantage here. He would probably talk to you about stamps and old friends of his in Washington, and being a most tactful and thoughtful man would not expect more than ten or fifteen minutes. He will probably not be in Washington for two or three weeks. I have given him a letter to Stettinius and, of course, if Hull is back he will want to see him.

The Fernández visit to the States, elaborately played up from day to day to the extent of many columns here, has made a profound impression and all Chileans of all parties feel he was treated with distinction and that his visit has done much to wipe out old misunderstandings. This is gratifyingly true of the Rightest opposition also. My interviews in the States, also sent back, had a remarkable effect here and the papers have ran fulsome editorials of praise, giving me credit for making Fernández' visit a success and proclaiming me a true and understanding friend

of

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

of Chile. I find to my amazement that many of the Rightest persuasion, while cordial to me, have had the mental reservation that I was working against Chile. This all came from the propaganda against me as a "Red", circulated by the Spanish Embassy. Cruchaga and Cruz Coke tell me that my interviews have made ardent friends of this element, and I see abundant evidence of it.

Nothing has delighted me so much as the reaction of the conservative elements here to the outrageous proceedings of the Nazi regime in Argentina. Leading physicians here, and the medical profession is of a very high order, who had accepted invitations to a Medical Congress in Buenos Aires, have canceled their acceptance in protest against the discharge of the professors and published their letters; Arturo Alessandri, son of the former President, and head of the lawyers here, has written and published a sharp letter of congratulations to the President of the Argentine University who resigned in protest against the order to dismiss the professors; and Juvenal Hernández, head of the University of Chile, strong politically, erstwhile Minister of Defense, and a favorite of the Army, also wrote and published his letter to the Argentine President of the University, striking strongly the democratic note. And the Rightest papers have editorialized in praise of the action of these men. Since these are the men who formerly stood for the cultivation of Argentina, I think this important and promising.

I saw Walker and I am writing my ideas for him. Will send you a copy when written. I am curious to know how we come out with our mutual New York friend. I hope for his own sake that he accepts.

Warmest regards.

Sincerely,

Claude H. Bowles

chile folder 1-43

THE WHITE HOUSE
WASHINGTON

November 8, 1943.

MEMORANDUM FOR
THE ACTING SECRETARY OF STATE

Will you be good enough to
explain to Senator Cruchaga how
sorry I am not to see him?

F. D.R.

P.S. Please return Ambassador Bowers' letter to us.

Letter to the President, 10-29-43,
from Claude G. Bowers, Santiago, re
Senator Cruchaga, former President of
the Senate, Ambassador to Germany and
the U.S., visiting the U.S. Asks if
the President will see the Senator.

Chile folder 1-43

*file
personal*

Santiago, December 21, 1943.

Dear Mr. President:

I am enclosing a copy of a letter to Hull. The first paragraph you should read, if no more. The rest relates to Argentina and the inevitable effect of its prosperity on South American nations that have broken with the Axis; and to my possibly pessimistic opinion of the conspiracies being hatched in Buenos Aires and their ultimate effect on this continent. The passionately democratic declarations of the Bolivian revolutionists recalls the fact that all Nazi and Fascist governments start out with similar declarations of devotion to the common man. I seem to remember that for some time after the coup d'etat in Buenos Aires many of us thought that this Nazi triumph was a victory for the United States.

Congratulations on the historic conference in Persia. And on your safe return. We were greatly concerned over Churchill's illness, but he appears to be a tough old boy; all of which implies that to drink whisky in abundance and smoke cigars incessantly makes for eternal life.

Sincerely,

Wm. F. Howells

Enclosure:

Copy of letter to Secretary Hull,
dated December 21, 1943.

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

Santiago, December 21, 1943.

Dear Mr. Secretary:

The other day Fernández sent for me for the express purpose of requesting me to inform you and the President personally that he has been greatly distressed and disgusted by the delays in passing of the Control measure, and that if it is not enacted most speedily, he will insist that President Ríos put all the nation's Rio commitments in operation regardless, and in the event he refuses, Fernández will resign. He said: "I personally promised both President Roosevelt and Secretary Hull this would be done and I feel that my personal honor demands that my promises be carried out to the letter. I wish you would beg them for me to withhold judgment on me a very short time". This was entirely voluntary. He sought the interview and for this express purpose.

Two days later I was informed that last Saturday morning Fernández accompanied the President to the presidential residence in Viña for the week end, taking along all the data and the commitments with the view to working out the plans. I may add that my own opinion of Fernández's honesty, sincerity, loyalty and dignity as a man is of the very highest.

This morning the papers are filled with the declarations of passionate love of the United States from the revolutionary government in Bolivia. These reek with tributes to democracy and the United Nations. On the other hand, I have it from the Bolivian Ambassador, who, when Minister of Foreign Affairs, sent the German Ambassador in La Paz upon his travels, that the leaders, and all the leaders, of the revolt are notoriously Nazi or pro-Nazi; that the chief leader was the most intimate companion of the German Ambassador until expelled; that Belmonte, the former Military Attaché in Berlin, notoriously a rabid Nazi, who wrote articles attacking the United States, has been on the Argentine border for months conspiring, and that, in fact, he directed the coup d'etat. No one I have seen here has any doubt that the conspiracy was hatched in Argentina. The brief press report from Buenos Aires in this morning's papers merely says that the revolution was "a great surprise in Argentina". Me thinks they do protest too much. If it was a "great surprise" in Argentina, it is the only country where the surprise is great.

For

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

For what it may be worth, I think you should know the feeling becoming general here among Chileans and our friends in the diplomatic corps. It is that Argentina has become the Nazi Second or American front; that it is aggressively working for the establishment of governments in South America similar to its own to be under the directing influence of Buenos Aires; that it is making a real impression on surrounding nations with its lack of scarcity, its abundance of everything, its continuing profitable trade with England and the United States, and its resulting prosperity surpassing that of any other South American nation. I know the Argentinians are using this abundance and prosperity as propaganda to persuade the neighboring nations that they, too, would be prospering had they not yielded to the pressure of the Yankees.

I know the Chilean Government is greatly concerned over the apparently close relations of Argentina with Bolivia and Paraguay, feeling that it is being surrounded, and that the purpose is to force Chile into the anti-democratic sphere. It finds that great and vigorous and persistent economic pressure is being brought to bear on the surrounding countries and cites the case of Uruguay where the Argentine Charge is said to have demanded of the Uruguayan President that he order the Uruguayan press to discontinue criticism of the Nazi regime in Buenos Aires, and had his demand accepted.

I know that both Fernández and Ríos think that the purpose is to build up an anti-Yankee bloc in South America. I think it unquestionably true that the prestige of Argentina has never been greater in South America than today. Having, as is said, defied the Yankees and "made them like it", its position as the "leader of South America against Yankee imperialism" is becoming stronger all the time. This, of course, delights the anti-United States element which still exists to some extent all over the continent.

Armour writes me that the Paraguayan Foreign Minister when in Buenos Aires told him that the economic pressure of Argentina on Paraguay is almost irresistible. I have always thought that by economic pressure the United States and Britain could stagger the Nazi regime. This is the common comment as I hear it. I have heard it from Fernández.

But all the economic pressure on surrounding nations comes from Argentina. We have an embarrassing situation here to illustrate it. Chile needs a great many horses for agricultural purposes and it was proposed to make the purchase in Argentina. But it appears that Argentina will sell the horses but only on condition that they are paid for with 5,000 tons of copper beyond the 18,000 tons we allow for exportation. It is claimed that the copper is for the Argentine army. My

information

information is that the Army does not need the copper, that it has an abundance. Knowing our policy in regard to copper, it looks as though the Argentine Government deliberately assumes this position to embarrass us; and, in the event we will not authorize the purchase under these conditions, it will be said that Chilean agriculture is suffering because of the United States.

At luncheon at the Brazilian Embassy yesterday, the Brazilian Ambassador to the United States, who came through Buenos Aires, said that when he was there he was told that a ship loaded down with merchandise from the United States, including steel, had just arrived. Since we find it almost impossible to get steel here, I suspect he may have been misinformed. But this illustrates the general feeling of what is going on.

Fernández tells me that his information is that the position of the Government in Peru is precarious and that a military coup d'etat there is not improbable. He says that army officers from most of the countries surrounding Argentina have been making visits to Buenos Aires and he thinks these go for inspiration and direction. His view may be unduly pessimistic, but there is no doubt that he feels that way.

I have written at some length because I am firmly convinced that if the war ends with the present regime in power in Argentina, and with great demands for Argentine products in the immediate postwar period making for unusual prosperity there, while the surrounding nations will be struggling with the postwar depression, the preeminence of Argentina in South America will be established in the popular mind, and the prestige of the United States will diminish accordingly.

Dr. Marin, to whom you addressed your note of thanks, was delighted. He asked permission to show it to his Government and, of course, I told him to do so by all means. It has since been published in the papers here.

Warmest regards.

Sincerely,