

● PSF

State Dept.

Jan. - March 1940

Department of State

BUREAU
DIVISION

PR

ENCLOSURE

TO

Letter drafted

ADDRESSED TO

The White House

file
personal

State Dept
513
29-107

LA SITUATION DRAMATIQUE DES ÉTATS BALKANIQUES

Tandis que les puissances de l'Europe Occidentale, au cours des derniers siècles, ont été créer à travers le monde des pays entièrement évolués au point de vue matériel, spirituel, tels que ceux d'Amérique, d'Australie, etc..., elles ont complètement délaissé ceux qui se trouvaient à l'Est de l'Europe, tels que les Pays Balkaniques.

Ceux-ci, victimes de la convoitise des grandes puissances (Autriche, Turquie, Russie), n'ont aujourd'hui ni capitaux, ni routes, ni chemins de fer, ni matériel militaire, et c'est ainsi que la Yougoslavie, menacée par le Reich et par l'Italie, n'a pas 50 avions de ligne, ni tanks, ni canons, ni navires de guerre, pour se défendre; elle n'a que des baïonnettes pour se protéger contre ses voisins qui la menacent sur 6 de ses 7 frontières : frontière italo-slovène, frontière adriatique, frontière albanaise, bulgare, hongroise et allemande. Menacés de toutes parts; n'ayant pas assez d'argent pour s'acheter un matériel militaire suffisant; n'ayant pas de moyens de transports pour déplacer leurs troupes rapidement; ayant perdu confiance depuis plusieurs années dans la force de la Grande-Bretagne et de la France, et surtout soumis à une propagande "bien orchestrée" de l'axe; coupés par celui-ci de leurs

amis habituels, faut-il s'étonner que la Yougoslavie et ses voisins, courbent aujourd'hui la tête devant le Reich et l'Italie et n'osent plus exprimer ouvertement leurs sentiments ?

Balkaniques - Leur situation est d'autant plus grave et délicate que l'Allemagne est en fait, à peu près le seul pays à comprendre les nécessités de leur économie spéciale et arriérée, et à absorber leurs produits en les achetant 10 à 15 % au-dessus des cours mondiaux; et en leur accordant des préférences douanières - qui rien que pour la Yougoslavie, furent l'an dernier d'environ 200 millions de francs, somme importante pour ce petit pays.

Il y a dans le monde des économies différentes : l'américaine, la japonaise, celle des pays de l'Europe occidentale, et celle des pays Balkaniques, dont les prix de revient et les méthodes de production ne peuvent être comparés. Les pays balkaniques ont des méthodes arriérées, dûes principalement au fait qu'ils furent pendant plusieurs siècles, sous le "pressoir" turc. Ils ne peuvent donc pas concourir sur les marchés mondiaux, et pour absorber leurs produits qui sont plus chers, mal présentés, il faut faire quelques sacrifices.

Si les Etats-Unis, l'Angleterre, la France, ne le comprennent pas, alors, fatalement, ces pays seront peu à peu entraînés malgré eux, dans les bras de l'Allemagne.

Déjà plusieurs économistes yougoslaves sérieux,

- Au point de vue purement économique, les

estiment que seule la guerre peut les sauver de l'absorption fatale par le Reich qui, automatiquement, par la prise de l'Autriche et de la Tchéco-Slovaquie, est devenu de loin le premier fournisseur et le premier consommateur des produits balkaniques. Si le monde ne réagit pas, s'il se refuse à certains sacrifices, pour aider les pays balkaniques, notamment en achetant leurs produits et en leur fournissant quelques capitaux pour s'équiper matériellement et militairement, il ne fait aucun doute que d'ici peu de temps ils seront les uns après les autres privés de leur libre arbitre, (ce qui est déjà fait en partie) et absorbés par le Reich.

en France Lorsque celui-ci règnera en maître sur eux, il ne tardera pas à les organiser, à décupler leur production, à utiliser toutes leurs richesses, et il acquerra alors une telle puissance qu'il deviendra irrésistible, lorsqu'il se retournera vers les puissances démocratiques de l'Europe Occidentale.

actuellement Celles-ci regretteront alors amèrement de ne pas avoir fait les efforts modérés qui s'imposaient à elles, pour aider l'économie retardée de ces pays, qui craignent et détestent le Reich; elles regretteront de ne pas avoir offert des capitaux plus abondants à ces pays maltraités par le passé; elles regretteront de n'avoir pas fourni en temps voulu des armes aux excellents soldats de ces petits pays; mais il sera trop tard !!!!

- Au point de vue purement économique, les

Etats-Unis pourraient exercer une influence heureuse, non pas en achetant des produits dont ils sont déjà abondamment pourvus; mais en concurrençant moins vivement les produits balkaniques sur les marchés des puissances de l'Europe Occidentale.

- Les produits des Pays Balkaniques sont souvent de qualité inférieure et moins bien présentés que ceux qui proviennent des nations américaines. Et comme ils sont en général plus chers que les produits américains, par suite de l'action allemande qui tend à faire monter leurs prix, ils trouvent difficilement une clientèle en Angleterre, en France, et autres pays de l'Europe Occidentale.

C'est ainsi que les contingents accordés par la France aux produits Yougoslaves, Bulgares, Roumains, restent en général inutilisés; alors que ceux accordés aux produits américains sont remplis.

Les deux grandes démocraties européennes font actuellement des efforts sérieux pour resserrer leurs liens économiques avec les pays balkaniques; et c'est ainsi que la France, s'inspirant des recommandations de Stresa, a décidé, par l'accord commercial du 11 Février 1939, d'accorder à certains produits yougoslaves des ristournes douanières analogues à celles accordées par l'Allemagne à la yougoslavie, depuis un certain nombre d'années; et cela pour des produits susceptibles de trouver place sur le marché français (bois, maïs, pruneaux, jambons, etc...).

L'incidence de l'action de ces avantages est extrêmement faible, tant sur la production française que vis-à-vis de la concurrence étrangère; mais cette action peut pourtant avoir une certaine influence favorable, pour l'économie yougoslave, si fragile et si menacée (comme les petits états voisins) par l'emprise allemande.

Il faut souhaiter ardemment que, loin de prendre ombrage des quelques mesures de faveur qui pourraient être prises par la France ou l'Angleterre au bénéfice de la production arriérée des pays balkaniques, les Etats-Unis, dont l'économie offre tant de ressources, aident au contraire les démocraties à appuyer cet effort qui tend à défendre ces régions Européennes contre la menace d'une hégémonie italo-Allemande dangereuse pour le monde.

Ainsi les Etats-Unis, qui, au cours des derniers siècles, ont bénéficié des forces expansionnistes de l'Europe, participeraient au travail de relèvement des pays du Sud-Est européen, qui ont été trop longtemps laissés à leur misère et à leurs coutumes moyennâgeuses ...

Les démocraties y sont moralement tenues; mais elles y trouveront des avantages centuplés, si par cette voie économique dans laquelle il est vital qu'elles reprennent le terrain commercial gagné actuellement par l'Allemagne, la France et l'Angleterre s'assurent ainsi qu'en cas de conflit, les pays balkaniques puissent, tout au moins,

défendre leurs neutralités et leurs richesses, agricoles, minières et industrielles, qui accroîtraient par trop dangereusement la puissance déjà formidable des Etats totalitaires.

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personal

1-5-40

PSF: State Dept
1-5-40

THE RACQUET CLUB
PHILADELPHIA

My dear Mr. President:

Senator Guffey
told me today of your
decision to appoint me
to one of three posts,
probably Ireland.

I can not tell you
how delighted & happy
Huberta & myself are.

In the last six
years of public life

I think I have
learned, by bitter
experience, a hard but
valuable lesson.

This knowledge
will enable me to
minimize the possibility
of error on my part, &
give me a greater
chance of being
worthy of your trust
in me.

With regard to another
term for our greatest President,
I find sentiment everywhere
growing stronger & stronger.

Men & women who never
voted for you before say they
will next November because
you are the only American
who can be trusted to lead us
through this world wide chaos.

Our most
heartfelt appreciation
to you for your
confidence in me.

Respectfully yours,
~~George H. Earle~~

January the fifth.

George H. Earle

TRANSLATION

D. D. No. 59

Panamá, January 6, 1940.

Mr. Ambassador:

I have the honor to acknowledge receipt of Your Excellency's courteous note No. 142 of the 3rd instant in which Your Excellency is good enough to advise me that in view of the great demand for labor existing in the Canal Zone to carry out the vast construction program facing it, the Governor of the Canal, General Ridley, has made arrangements with the British Government to recruit in Jamaica the additional labor which cannot be obtained from Panamá.

After taking note of the foregoing information, Your Excellency will permit me to set forth certain considerations in defense of Panamanian interests, which latter my Government believes cannot be by any means indifferent to the United States of America nor finally to the high officials of the Panama Canal.

The news transmitted by Your Excellency has caused profound surprise and disappointment in the minds of His Excellency the Encargado del Poder Ejecutivo and of the entire Panamanian Government.

Some days ago the Foreign Office received a communication from the Association of Commerce of Panamá in which its President repeated rumors circulating among the people concerning the importation of Antillean labor into the Canal Zone and issued a warning to our authorities. The undersigned Secretary of State hastened to allay the fears of Panamanian business men giving them the written assurance that such a danger did not exist.

In thinking and proceeding in this manner the Foreign Office had as a basis categorical statements made to three of the members of

His Excellency
William Dawson,
Ambassador Extraordinary and Plenipotentiary
of the United States of America,
City.

of the present Cabinet by General Stone, commanding the military forces charged with the protection of the Panama Canal, when we discussed the subject at the last session of the National Aviation Commission, Admiral Sadler also being present. General Stone is now charged with the supreme command of the Panama Canal since the President of the United States of America proclaimed a state of emergency and placed under his (General Stone's) command all local civil, military, naval, and air authorities. His words could not leave the slightest doubt in the minds of the Secretaries of Government and Justice, of Health, Welfare, and Public Works, and of Foreign Relations and Communications who were present, when without circumlocution or subterfuge of any kind he gave us the most absolute assurance that the Government of the United States would not import Antillean labor into the Panama Canal either for the work of the third set of locks or for any other work connected with plans for extending and reinforcing the defenses of the Canal. On this occasion the General added that in case the available supply of Panamanian laborers proved insufficient, the United States intended to have recourse to the American people, principally the unemployed, in order to abstain from aggravating the disastrous conditions which the Republic (of Panama) faces today from an ethnical point of view as the result of the importation of Antillean labor by the authorities of the Panama Canal during the construction period from 1904 to 1923.

This Government could not suspect that two months after the meeting mentioned here it would unexpectedly receive as hard a blow as that represented for Panamanian aspirations and interests by the contents of Your Excellency's note under reply.

Please

Please appeal, Your Excellency, to the principles of cooperation and the policy of good neighborliness in which Panamanian-American relations have recently been inspired in order to obtain from your illustrious Government through the most adequate and efficacious means that a single stroke of a pen may not compromise the work of closer relations and reciprocal good-will accomplished after long years of patient labor and efforts which culminated in the treaties and conventions of 1936 and in order to prevent at any cost that a question of such vital interest for this Republic be settled without taking it into account and without consulting its needs and desires.

The freedom of transit between Panamá and the Zone stipulated in the General Treaty of 1936 would nullify the effects of the Panamanian immigration law if new Antillean colored masses were to invade the Canal Zone; and the Panamanian community would be deprived of the economic benefits to which it is entitled by its special geographic situation if there were to be organized in the Canal Zone concentration camps for the Antillean laborers in order that they might not pass the dividing line between the two communities. In such circumstances my Government believes that there has never been felt as at present the need for consultation and mutual agreement between our two Governments in order to solve on equitable bases questions of such importance and transcendence for both.

Please accept, Excellency, etc., etc.

MARIANO GARCIA
Secretary of Foreign Relations and
Communications

AIR MAIL

Excellency:

I have the honor to acknowledge the receipt of your note D.D. No. 59 dated January 6, 1940, relating to the objections entertained by the Government of Panamá to the importation into the Canal Zone of additional laborers from the West Indies for work about to be undertaken in connection with The Panama Canal and upon the instruction of my Government to reply as follows:

It will be recalled that in connection with the construction of the Canal it was necessary because of an insufficiency of common labor in the Republic of Panamá to bring in from other sources labor acclimated to the tropics and accustomed to the conditions of work prevailing on the Isthmus. Similarly, the construction of the third set of locks and other works of a defense character will require more common labor than is at present available on the Isthmus. Therefore, although it has always been contemplated to employ every able-bodied Panamanian who could meet the qualifications in this new construction activity, the Canal authorities from the very outset have foreseen the need for bringing in common labor from outside sources, such as the West Indies islands. I desire to take this opportunity to assure your Government that each and every laborer brought in from neighboring republics or islands will be repatriated to his native land immediately upon termination of the need for his services.

In

His Excellency
Señor Doctor Don Narciso Garay,
Secretary of Foreign Relations
and Communications.

AIR MAIL

-2-

In your note of January 6, surprise was expressed that in spite of an assurance which is stated to have been given to the contrary by the Commanding General of the Panama Canal Department, United States Army, the Canal authorities are contemplating the use of labor from West Indian sources. After inquiry this Government has learned of no commitments made by any of its representatives or officials not to utilize additional West Indian labor in the new construction activity.

This Government in planning the new work in the Canal Zone has of course never ceased to have in mind the possibility of using unemployed persons in the United States and its possessions as well as its commitments to the Panamanian Government with reference to the employment of Panamanians in the Canal Zone. This Government will use for the construction of the new works such unemployed in the United States as are qualified considering the type of work to be performed and local conditions of work. Moreover as above indicated it is the policy of this Government to employ as far as may be practicable every able-bodied Panamanian who presents himself for work who likewise possesses the necessary qualifications for the type of construction to be undertaken. Furthermore it has always been the intention of this Government in case the use of any class of labor from the United States or its possessions is impractical or such labor is inadequate, to give preference to citizens of Panamá over citizens of any other country or its possessions.

In conclusion, permit me to state that in connection with the plans for the new construction activities, this Government has endeavored to give realization to the legitimate policies and aspirations of the Panamanian Government in conformity with

the

JIAJI RIA

the spirit which underlies the General Treaty of 1936. Every effort has been and will be made to conduct the new construction activities to the mutual benefit of both countries which cooperated so closely and effectively in the construction of the Canal.

Accept, Excellency, the renewed assurances of my highest consideration.

TRANSLATION

D. D. No. 59

Panama, January 6, 1940.

Mr. Ambassador:

I have the honor to acknowledge receipt of Your Excellency's courteous note No. 148 of the 3rd instant in which Your Excellency is good enough to advise me that in view of the great demand for labor existing in the Canal Zone to carry out the vast construction program facing it, the Governor of the Canal, General Ridley, has made arrangements with the British Government to recruit in Jamaica the additional labor which cannot be obtained from Panama.

After taking note of the foregoing information, Your Excellency will permit me to set forth certain considerations in defense of Panamanian interests, which latter my Government believes cannot be by any means indifferent to the United States of America nor finally to the high officials of the Panama Canal.

The news transmitted by Your Excellency has caused profound surprise and disappointment in the minds of His Excellency the Rencorado del Poder Ejecutivo and of the entire Panamanian Government.

Some days ago the Foreign Office received a communication from the Association of Commerce of Panama in which its President repeated rumors circulating among the people concerning the importation of Antillean labor into the Canal Zone and issued a warning to our authorities. The undersigned Secretary of State hastened to allay the fears of Panamanian business men giving them the written assurance that such a danger did not exist.

In thinking and proceeding in this manner the Foreign Office had as a basis categorical statements made to three of the members
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MAIL

-2-

of the present Cabinet by General Stone, commanding the military forces charged with the protection of the Panama Canal, when as discussed the subject at the last session of the National Aviation Commission, Admiral Soder also being present. General Stone is now charged with the supreme command of the Panama Canal since the President of the United States of America proclaimed a state of emergency and placed under his (General Stone's) command all local civil, military, naval, and air authorities. His words could not leave the slightest doubt in the minds of the Secretaries of Government and Justice, of Health, Welfare, and Public Works, and of Foreign Relations and Communications who were present, when without circumlocution or subterfuge of any kind he gave us the most absolute assurance that the Government of the United States would not import Antillean labor into the Panama Canal either for the work of the third set of locks or for any other work connected with plans for extending and reinforcing the defenses of the Canal. On this occasion the General added that in case the available supply of Panamanian laborers proved insufficient, the United States intended to have recourse to the American people, principally the unemployed, in order to abstain from aggravating the disastrous conditions which the Republic (of Panamá) faces today from an ethnical point of view as the result of the importation of Antillean labor by the authorities of the Panama Canal during the construction period from 1904 to 1914.

This Government could not suspect that two months after the meeting mentioned here it would unexpectedly receive as hard a blow as that represented for Panamanian aspirations and interests by the contents of Your Excellency's note under reply.

Please

MAIL

-3-

Please appeal, Your Excellency, to the principles of cooperation and the policy of good neighborliness in which Panamanian-American relations have recently been inspired in order to obtain from your illustrious Government through the most adequate and efficacious means that a single stroke of a pen may not compromise the work of closer relations and reciprocal good-will accomplished after long years of patient labor and efforts which culminated in the treaties and conventions of 1936 and in order to prevent at any cost that a question of such vital interest for this Republic be settled without taking it into account and without consulting its needs and desires.

The freedom of transit between Panamá and the Zone stipulated in the General Treaty of 1936 would nullify the effects of the Panamanian immigration law if new Antillean colored masses were to invade the Canal Zone; and the Panamanian community would be deprived of the economic benefits to which it is entitled by its special geographic situation if there were to be organized in the Canal Zone concentration camps for the Antillean laborers in order that they might not pass the dividing line between the two communities. In such circumstances my Government believes that there has never been felt as at present the need for consultation and mutual agreement between our two Governments in order to solve on equitable bases questions of such importance and transcendence for both.

Please accept, Excellency, etc., etc.

HARIBO GARAY
Secretary of Foreign Relations and
Communications

State

CK
This telegram must be
closely paraphrased be-
fore being communicated
to anyone. (B)

(Warsaw)
Angers via Paris
Dated January 13, 1940
Rec'd 11:20 a.m.

Secretary of State

Washington

3, January 13, 1 p.m.

One. Polish Foreign Minister Zaleski informs me he just received cable from Polish Ambassador Bucharest stating that movements observed along Rumanian northern frontier indicate (a) large scale withdrawal Russian forces from Lwow and Boryslaw and (b) simultaneous entry of German forces taking up former Russian positions.

Two. Zaleski states other reports indicate Russia has been unable to satisfy German petroleum and material demands during Russo-Finnish conflict due partly to necessity of diverting major portion of Russian rolling stock to supplying Russian forces.

Three. Zaleski added that in the absence of further explanations for troop movements described paragraph one he is inclined to interpret Russia's reported turning over former Polish oil field to Germany as compensation for failure to deliver expected Russian oil.

ADDLE

CSB

PSF: State Dept.
H. H. Holt
THE WHITE HOUSE
WASHINGTON

January 15, 1940

MEMORANDUM FOR THE PRESIDENT:

Joe Davies asked me to hand this to
you. It has to do with your conference this
morning.

Emw.

E. H. W.

Dear Mr. President:

Here is a memo.
mandate. For your
consideration. Should you
consider any action
advisable.

For

MEMORANDUM OF AGREEMENT between the Government of Holland, hereinafter called the lessor and the Government of the United States, hereinafter called the lessee.

For and in consideration of One Dollar (\$1.00) and other good and valuable considerations, receipt of which is hereby confessed and acknowledged by both the lessor and lessee, the lessor hereby agrees to rent or lease to the lessee the ^{57 Islands} Islands of Curacao, Aruba and Bonaire, situated in the Gulf of Mexico, north of the coast of Venezuela for the term of five years and/or the duration of the European war whichever may be the longer, upon the following terms and conditions:

1. The lessee shall have the right to erect upon the islands such naval bases or other structures as may be necessary in the judgment of the lessee for the military protection of the United States, and the Western Hemisphere, under the Monroe Doctrine, or for other reasons.

2. Upon the termination of the lease, the lessee shall have the right to retain and utilize such structures and the land upon which they are erected, as naval bases upon payment of such compensation as may be fair and agreed upon, or at the option of the lessee, such structures or any part thereof, may be removed by the lessee.

3. In consideration hereof the lessee shall have supervision and executive administration of the said islands during ~~the~~ ^{the term of the lease} term utilizing therefor, under direction of such officials of the lessee as may be necessary, the present officials of the lessor, or their successors duly appointed by the lessor during the period of the lease.

4. It is an essential part of this agreement that at no time will the lessor sell or dispose of the said islands ^{To any non American Power} except by and with the consent of the United States.

*File
personal*

Madrid, Spain, January 30, 1940.

Mr. President:

Permit me to express my sincere appreciation of the confidence you have shown in me by appointing me Minister to the Dominican Republic.

It is the natural ambition of every officer in the Foreign Service to reach the grade of Chief of Mission, and you may well imagine what satisfaction the achievement of this affords me. You may be sure that I will strive to make a success of my mission.

Very respectfully,

R. L. Sottum

The President,

The White House,

Washington, D. C.

State
1

Letter to the President
From Sumner Welles----dated February 1, 1940

Re:PROPOSED MESSAGE TO THE NEUTRAL COUNTRIES----a copy
of which he encloses; also Mimeographed copy of message
which was released at State Dept on Feb 9, 1940 and
relates to proposed diplomatic conversations of Sumner
Welles-----attached are two messages from Prime Minister
Chamberlain about Mr. Welles anticipated trip abroad.

See--Welles folder-Drawer 1-1940 (Mimeo copy-Feb 9, 1940)

February 1, 1940.

*Messersmith
BSF: State Dept
1*

MEMORANDUM FOR MISS PERKINS:

The President encloses letter to General Watson
1/26/40 from Messersmith who enclosed memo of resume of conver-
sation which member of staff in Mexico had with Diego Rivera,
Mural Painter, with regard to alleged financial aid given by
Mr. John Lewis of the CIO to Mexican Labor Organization.

See: Labor folder-Drawer 1-1940

file personal *256, 49*
Bucharest, Rumania,
February 13, 1940.

The President,
The White House.

Dear Mr. President:

I have the honor to enclose herewith a copy of my letter to the Secretary of February 13th, forwarding to him text of letters received by me from Ex-President Moscicki and his son and my replies thereto. As you will see, both the Ex-President and his son express deep appreciation of all we were able to do.

With highest regard, I am, dear Mr. President,

Yours most respectfully,

Franklin D. Roosevelt

Enclosures.

~~SECRET~~ Bucharest, February 13, 1940.

Dear Mr. Secretary:

I have the honor to enclose herewith copies and translations of a letter to me dated January 4th from Ex-President Moscicki and one dated January 16th from the Ex-President's son, until recently Polish Minister at Brussels. I am enclosing as well copies of my replies to these letters. As you will see, both the Ex-President and his son express their warm appreciation of our action.

My telegram No. 443 of Christmas Day was sent to you just two hours after Ex-President Moscicki had secretly boarded the Simplon Express at Craiova. You may recall that I had mentioned in telegrams the advantages of Craiova for a quick get-a-way. For this reason I had endeavored to discourage a projected move to a country house near Bucharest. Mr. Gafencu, the Minister of Foreign Affairs, ever solicitous of the Ex-President's welfare, played with this idea for a while as the old gentleman did not find the large, drafty Craiova house - the same which had previously housed Ex-General Saigly-Rydz - altogether to his liking, and was catching a

cold

The Honorable
Cordell Hall,
Secretary of State,
Washington.

could there.

The "evacuation" was skillfully accomplished. The Ex-President did not know himself until the night before Christmas "when all through the house", and had to do some expeditious packing. Mr. Gafencu put his own official private-car at his disposal for the entire trip to Lausanne. Fortunately, I had postponed going away for the holidays as I wanted to keep in close and constant contact with the case which seemed to be approaching its climax.

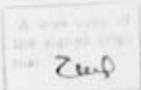
Since my return I have learned that there was quite a storm in German official circles over this matter, and the Minister of Foreign Affairs and his immediate Assistants had to bear with a great deal of bitter grumbling on the part of the German Minister, who, as usual, alleged that Rumania's neutrality had been infringed. I am not aware that either the President or yourself have as yet sent any message of appreciation to the Sovereign or to Mr. Gafencu regarding Rumanian official action in this matter. Under the circumstances I think that such a message would be appropriate. Knowing the circumstances as well as I do and just how vindictive the German authorities can be when annoyed, I do not hesitate to qualify the action of the Rumanian authorities as a courageous one.

To avoid re-copying, I am sending a copy of this letter with a note to the President.

Believe me, dear Mr. Secretary, with highest regard,

Yours respectfully,

Enclosures. (Sgd.) FRANKLIN MOTT GUNTHER.



(COPY)

Ignacy Mohcicki

Fribourg, le 4 janvier 1940.

Monsieur le Ministre,

C'est avec le plus grand plaisir que j'ai appris que mon départ de Roumanie a eu lieu, entre autres, grâce à votre intervention, particulièrement insistante et efficace, auprès des autorités suprêmes de ce pays.

Permettez moi, Monsieur le Ministre, de vous présenter les expressions de ma vive reconnaissance ainsi que mes remerciements les plus sincères.

Veuillez agréer, Monsieur le Ministre, les assurances de ma considération très distinguée.

(Sgd.) I. MOHCICKI.

Son Excellence
Monsieur Franklin Mott Gunther
Ministre des Etats-Unis
à Bucarest.

TRANSLATION

Ignacy Mościcki

Fribourg, January 4, 1940.

Mr. Minister:

It is with the greatest pleasure that I have learned that my departure from Rumania took place, thanks, among other things, to your intervention, particularly insistent and efficacious, with the supreme authorities of that country.

Permit me, Mr. Minister, to present to you the expressions of my deep appreciation as well as my most sincere thanks.

Please accept, Mr. Minister, the assurances of my very distinguished consideration.

(Sgd.) I. MOŚCICKI.

His Excellency
Mr. Franklin Mott Gunther,
Minister of the United States
at Bucharest.

(Copy)

Bruxelles le 16 Janvier 1940.

1, rue J. B. Colyns.

Monsieur le Ministre,

Dans ces moments tragiques que nous polonais - nous traversons, nous avons aussi, il est vrai rarement, des instants meilleurs. La nouvelle de l'arrivée de mon Père en Suisse, qui a put enfin quitter la Roumanie, où il était interné a été pour moi une grande joie. Je sais maintenant que nous le devons à vous, Monsieur le Ministre, c'est grâce à vous, à vos incessantes démarches que mon Père a reçu enfin l'autorisation de quitter la Roumanie. J'ai eu depuis des nouvelles de Fribourg, où se trouve mon père maintenant, sa santé est bonne et son moral aussi.

J'écris cette lettre d'abord pour vous remercier sincèrement de tout ce que vous avez fait pour la libération de mon Père de cet internement et vous remercier aussi de l'aimable accueil que vous m'avez fait quand j'ai été vous voir à Bucarest dans les premiers jours du mois d'octobre écoulé.

Mon gouvernement a supprimé pour raison d'économie le poste de Ministre ici, ainsi je suis devenu un chômeur. En attendant de trouver une occupation nous habitons Bruxelles.

Veuillez agréer, Monsieur le Ministre, l'assurance réitérées de ma très haute considération.

(Sgd.) M. MOSCICKI

Ancien Ministre de Pologne à Bruxelles.

(0022)

TRANSLATION

Brussels, January 16, 1940.

1, rue J. B. Colyns.

Mr. Minister:

In these tragic moments through which we Poles are passing, we have also - rarely, it is true - better moments. The news of the arrival in Switzerland of my father, who was finally able to leave Rumania, where he was interned, has been for me a great joy. I know now that we owe it to you, Mr. Minister, that it is thanks to you and to your incessant representations that my father finally received the authorization to leave Rumania. I have since had news from Fribourg, where my father now is, that his health is good and also his morale.

I write this letter first to thank you sincerely for all that you have done to effect the liberation of my father from this internment, and to thank you also for the kind welcome which you accorded me when I saw you at Bucharest in the first part of October.

My Government has closed, for reasons of economy, the post of Minister here, and thus I have become an unemployed. Until I can find occupation we are living in Brussels.

Please accept, Mr. Minister, the repeated assurance of my very high consideration.

(Sgd.) M. MOSCICKI

Former Minister of Poland at Brussels.

(COPY)

Bucharest, Rumania,
February 13, 1940.

Dear President Moscicki:

I am deeply appreciative of your gracious note of January 4th. Please forgive me the delay in acknowledgment thereof. I had postponed going away for a holiday until you should leave, and left almost immediately thereafter. I shall always treasure your letter, but may I remind you that whatever I did on your behalf merely reflected the wishes of our great President and of his Secretary of State, Mr. Hull, both of whom took a deep interest in your welfare and future. Naturally, we are all glad that the matter worked out satisfactorily.

Please be assured, my dear Mr. President Moscicki, of my respectful good wishes and highest regards.

Sincerely yours,

(Sgd.) Franklin Mott Gunther

His Excellency
Mr. I. Moscicki,
Ex-President of Poland,
Fribourg, Switzerland.

(Copy)

Bucharest, Rumania,
February 13, 1940.

My dear Colleague:

I was very much touched by your kind letter of January 16th which reached me while I was on a holiday which I had deferred taking before the liberation of your eminent father. I shall always keep your letter in my archives, and assure you that I appreciate your courtesy in so writing.

I am glad that my share in the matter worked out satisfactorily, but please realize that what I did merely reflected the wishes of our great President, Mr. Roosevelt, and of his Secretary of State, Mr. Hull.

Hoping that our paths will someday cross, believe me, with kindest regards,

Sincerely yours,

(Sgd.) FRANKLIN MOTT GUNTHER.

His Excellency
Mr. Michel Moscicki,
1 rue J. B. Colyns,
Brussels, Belgium.

*File
Personal
(has been thanked)*

File

RICARDO J. ALFARO

Calle 44 Este No.31,
Panama, R.P., February 18th, 1940.

His Excellency Franklin Delano Roosevelt,
President of the United States of America.

My dear Mr. President:

Upon the happy occasion of your new visit to the territory of the Isthmus, permit me to offer you my most cordial welcome and my best wishes that your stay in Panamanian lands and waters be most pleasing to you.

The recollection of my official and personal relations with you is one that I cherish and prize very highly, while your thought and action as the ruler of the greatest nation on the earth has been and continues to be for me a source of inspiration, an object of my deepest admiration.

It is my earnest desire that the breezes of my native land be beneficial to your health and that this trip be an occasion for enjoyment to you and for new successes in your constant struggle for the cause of justice and democracy all over the world.

With the renewed assurances of my highest, most distinguished consideration, believe me, my dear Mr. President,

Very faithfully yours,


R. J. Alfaro

*file
personal*

State

Lisbon, Portugal
March 4th, 1940

My dear Mr. President:

I expect to return on the SATURNIA, leaving here Saturday, March 9th, and will arrive in New York about the sixteenth.

I hope to see you for a comparatively long time. There is a good deal about the situation in Europe on which I should like to hear your views, and I should be much flattered if I could get a really long interview. As soon as I get to New York, I shall call the White House and ask for it.

Faithfully yours,

Herbert C. Pell
Herbert C. Pell

The President
The White House
Washington, D. C.

3-7-40

PSF: *State*

Dear Hugh:

I have received your letter of March 7, 1940, regarding the possibility of sending an Ambassador to Germany, and I appreciate your letting me know of your willingness to be considered for appointment to that post.

I can only say at present that for some time, during which there have been no new developments, I have not given any consideration to the matter of appointing an Ambassador to Germany.- and no new development seems imminent.

Very sincerely yours,

The Honorable

Hugh R. Wilson,

Department of State.

*add higher
to copy -*

THE SECRETARY OF STATE
WASHINGTON

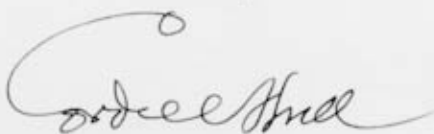
March 15, 1940.

My dear Mr. President:

I am transmitting herewith a draft of
a reply to Mr. Hugh Wilson's letter to you
of March 7, 1940.

Faithfully yours,

Enclosure:
Draft.



The President,
The White House.

March 7-1940.

Dear Mr. President:

The press has been discussing lately the restoration of normal diplomatic relations with Germany, by the sending again of Ambassadors to the two countries.

I do not know, of course, if the question has really come up, but in the event that you are considering it, I should like you to know

that I should be glad, if you
thought it wise, to return
to the post. My work was
only begun in my short
stay there, and was then
cut short. I should like to
continue it.

Yours respectfully
Hugh R. Wilson

March 8, 1940

My dear Mr. President:

Several days ago you asked Mr. Long to have the Department furnish figures which would indicate the number of persons in Europe who are or who might in the future be destitute or in need of food because of the war - east of the Rhine and west of the Rhine.

Proposed legislation now pending in the House of Representatives provides for an appropriation of from ten million to twenty million dollars for relief in Poland.

There is also pending in Congress a bill to send aid to the people in Czechoslovakia. In addition to Czechoslovakia there are hundreds of thousands of needy persons in various countries of Europe.

It has been difficult to tabulate exact figures. But there is attached a statement showing by countries the present needy and the possible future needy,
geographically

The President,

The White House.

*For original of this letter with attached table of figures
and Conference of March 7-8-9
See - Cordell Hull & Dr. H. H. H. 1-1940*

geographically divided east of the Rhine, west of the Rhine, and the Near East.

Of course you will understand that these are not exact figures but are estimates based on the best information which we have.

These figures are for confidential information and use. Publication of them or even the use of them in letters which might find their way to the public would seem to be inadvisable.

There is also attached a summary of the cost of relief during the last war and during the reconstruction period which followed. I have enclosed this with the thought that it might afford a good basis for estimating the cost to the American Government of proceeding with a policy to feed the stricken people of the war area.

Faithfully yours,

Cordell Hull

Enclosures:

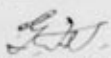
Estimate of war-relief needs;
Summary of relief costs during
the World War.

DEPARTMENT OF STATE

DIVISION OF PROTOCOL
March 19, 1940.

Dear "Pa":

I thought you might wish
to see the enclosed and perhaps
show it to the President.


George T. Summerlin.

Cairo, January 31, 1940. *file personal*

No. 1983.

Subject: An Appreciation of President Roosevelt.

The Honorable

The Secretary of State,
Washington.

Sir:

I have the honor to transmit herewith copies of an article and an editorial praising the achievements of President Roosevelt which appeared in the Egyptian Gazette on the President's birthday, January 30.

In addition the Gazette carried a picture of the President on the front page, as did also La Bourse Egyptienne over the following caption: "President Franklin Delano Roosevelt, President of the great Republic

Republic of the United States, celebrates his 58th birthday today. The illustrious President has gained the sympathy of the whole civilized world by his resolute attitude regarding the preservation of peace."

Respectfully yours,

Raymond A. Hare
Charge d'Affaires ad interim

Enclosures:

Article and Editorial from Egyptian Gazette
of January 30.

In triplicate
File no. 800.1
RAH:slw

A true copy of
the signed origi-
nal.

slw

Enclosure No. 1 to Despatch No. 1983 of
January 31, 1940 from the Legation at Cairo.

From the EGYPTIAN GAZETTE of January 30, 1940.

President Roosevelt's Birthday

A*FTER* nearly seven years of "the toughest job on earth" Franklin Delano Roosevelt celebrates his fifty-eighth birthday in a year which promises to test every fibre of the man. To look back over the newspaper headlines of the past few months is to appreciate the stress and strain to which the President's stamina and general disposition are daily being exposed. In Europe there is war and the relations between the democracies and the totalitarian States go from one crisis to another, with America's own economic well-being hanging in the balance and requiring a steady hand from the White House helmsman. In his own country political friends and enemies alike are demanding to know whether he will turn over his tasks to a new management next year or break precedent by adding another four years to his tenure of office.

At fifty-eight President Roosevelt is as sound in body and mind as the day he entered the White House in 1933. That he has aged needs no mention here, but his vigour is unimpaired. His hair has thinned and is white about the temples. His face has become more lined and his forehead shows signs of furrowing from a frequently knitted brow induced by the stream of reports which flow constantly across his desk. But the few lines that have been added to his face seem to fit in well with the crow's feet about his eyes, which have lost some of their sparkle and which

flash on those occasions when his disposition is ruffled. Though President Roosevelt's general optimism is well known it is probable that sometimes, in the dreary winter days when the calling list is brief and he has time to think quietly, that he wonders how circumstances have given him the most thankless position in the United States. An office that has repaid but poorly its greatest holders, bringing unpopularity to George Washington in his lifetime, assassination to Lincoln, grief and ridicule to Theodore Roosevelt, and the hisses of the mob to Woodrow Wilson.

Enclosure No. 1 to Despatch No. 1283 of
January 31, 1940 from the Legation at Cairo.

From the EGYPTIAN GAZETTE of January 30, 1940.

A GREAT MAN

The age in which we live, shabby as it is in some ways and calamitous the path it is taking, has produced a number of outstanding men, men whose names will live long after whatever particular way of life they stood for has disappeared. Already they have written their names large upon history, and they differ from the great men of other ages who achieved niches in the Hall of Fame in that they have won world renown during their lifetimes. You may admire them, or you may despise them; but you cannot deny that such men as Hitler, Stalin, Mussolini and President Roosevelt are already amongst the immortals.

Three of these men have definitely set their seal upon their countries. Just as Hitler stands for modern Germany, Stalin stands for Russia and Mussolini for Italy; it is difficult to think of the country without the man. If they were to die to-day, that would not affect their position. Whether the good they have done will outweigh the harm is a judgment we must leave to posterity. Hitler, it is practically certain, will be remembered as the most evil influence the world has ever known; he will rank among the great barbarians. Stalin is in a slightly different position. He, too, has done incalculable harm but he will leave behind a certain amount of sound constructive work, for he has, no matter how, raised the level of life in Russia. He will be one of history's Dr. Jekylls and Mr. Hydes. Mussolini, is undoubtedly one of the influences for good and, individually, he is a far greater man than either of the other two dictators. He has raised his country to the rank of a great power and has brought efficiency to a previously notoriously inefficient people.

When we come to President Roosevelt, who celebrates his 58th birthday to-day, we find an entirely different situation. In the first place, the full fruits of

his work will not be reaped for many years; secondly, his influence has been wholly good. He has, it is true, many political opponents, but even they must admit that Roosevelt has done magnificent work for his country. None can deny, either, that Roosevelt, the one great shining democrat in the world to-day, has worked for the common people. For seven long difficult years he has fought a continuous battle against the forces of reaction. He has had many setbacks but his reforms, which will gain weight as the years go by, will help to make the better America of his dreams a reality. His New Deal is, in fact, a fair deal for the people.

Externally his term of office has seen gradually arising one of the most perilous situations the world has ever known. With Europe gradually drifting into chaos he did more than any other man to safeguard peace and sanity. His efforts failed because Hitler was determined from the beginning to dominate Europe by fair means or foul. And now that European democracy is fighting for its existence he has done all that he can to help. America has declared for neutrality and is as yet in no mood to change her tune. But no one can doubt where the President's sympathies lie and it is through his influence that steps, such as the repeal of the arms embargo, have been taken to assist the Allies. It is difficult for us to realize the immense opposition President Roosevelt had to overcome. That he was able to do so is due entirely to his tremendous personal courage and determination. More far-seeing than many of his countrymen he realises, we are sure, that democracy's battle cannot be fought by Europe alone.

President Roosevelt, as the democratic head of a democratic government is in a different position from those dictators who can impose their every wish upon a subservient people. That he has achieved so much already makes him one of the great men of the world, and when the history of these days comes to be written, with the detached and long-distance view of the historian it will probably be appreciated that he was the greatest man of his age.

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON, D. C.

*State Dept. folder
P. 5 F*

MAR 20 1940

MEMORANDUM FOR THE PRESIDENT:

The State Department, at the request of the Chairman of the House Committee on Foreign Affairs, has submitted to this office proposed reports with respect to the enactment of:

H.J.Res. 482 and S.J.Res. 221, "For acquisition of British islands in the Caribbean and British Honduras", in part payment for the indebtedness of such government to the United States.

H. Con. Res. 49, "To acquire land bases strategic for the defense of the Panama Canal and the Western Hemisphere through payment in part by gold and in part by credits on defaulted debts".

Copies of the proposed reports of the State Department are attached in which it is stated that the Department does not believe, with all essential standpoints in mind, that it would be desirable to discuss these different proposals as they are brought forward; that in each of these present cases it prefers merely to withhold approval of the proposed legislation.

If you approve, I will advise the Secretary of State that there would be no objection to the submission of the proposed reports to the Committee.

Wm. H. Brown

Enclosures:
3 proposed reports of State Dept.,
dated 3-15-40.

*HDS
OK
JHR*

THE WHITE HOUSE
WASHINGTON

March 23, 1940.

*file
personal
State*

MEMORANDUM FOR THE PRESIDENT:

I hand you herewith the
official program of the visit of
President-Elect Guardia, as released
by the State Department to the press.

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

DEPARTMENT OF STATE

FOR THE PRESS

MARCH 22, 1940
NO. 122

PROGRAM

VISIT OF THE PRESIDENT-ELECT OF COSTA RICA
WASHINGTON, MARCH 25 to 28, 1940

Members of the official party:

His Excellency Dr. Rafael A. Calderón Guardia
The President-elect of Costa Rica

Señora de Calderón Guardia

Señor Jorge Hine
Second Designate to the Presidency

Señor Don Alfredo Volio
Member of Congress

Señor Luis Demetrio Tinoco, Jr.
Secretary to the President-elect

Señora de Tinoco

Señor Victor Manuel Yglesias
Secretary to the President-elect

MONDAY, MARCH 25

4:25 P.M.

The President-elect of Costa Rica and Señora de Calderon Guardia will arrive at Union Station, Washington, where they will be received by the Secretary of State and Mrs. Hull and a Reception Committee. They will be escorted through a double line of sailors and marines to the President's Reception Room and to their automobiles drawn up in front of the station. Before entering their cars, the United States Army Band will play the Costa Rican and the American National Anthems.

Members of the Reception Committee will be:

The Secretary of State
and Mrs. Hull

Brigadier General Edwin M. Watson, U.S.A.
Secretary to the President

Assistant Secretary of State
and Mrs. Adolf A. Berle

Rear Admiral George Pettengill, U.S.N.
Commandant of the Navy Yard

Brigadier General Maxwell Murray, U.S.A.
Commanding, Washington Provisional Brigade

Dr. Leo S. Rowe
Director General, Pan American Union

The Chief of the Division of the American
Republics and Mrs. Laurence Duggan

The Assistant Chief of the Division of the
American Republics and Mrs. Ellis O. Briggs

Mr. Stanley Woodward
The Assistant Chief of the Division
of Protocol

Mr. Gerald A. Drew
Division of the American Republics
and Mrs. Drew

From the station there will be a procession with
motorcycle police escort to the White House.

5:00 P.M. The Procession will arrive at the White House. The
President-elect and Señora de Calderon Guardia will
remain at the White House over night.

The other members of their party will proceed to the
Mayflower Hotel.

8:00 P.M. The President and Mrs. Roosevelt will give a dinner
at the White House in honor of the President-elect
and Señora de Calderon Guardia.

TUESDAY, MARCH 26

10:30 A.M. The President-elect and Señora de Calderón Guardia
will leave the White House for a visit to the Capitol
where they will be received by the Vice President and
by the Speaker of the House, the Chairmen of the Foreign
Relations and Foreign Affairs Committees, and others.
They will then proceed to the Mayflower Hotel, where
they will stay during the rest of their visit to
Washington.

1:00 P.M. The Secretary of State and Mrs. Hull will give a
luncheon at the Carlton Hotel in honor of the
President-elect and Señora de Calderon Guardia.

5:00 P.M. The Minister of Costa Rica and Señora de Castro
Beeche will hold a reception at the Mayflower Hotel,
in honor of the President-elect and Señora de
Calderon Guardia.

WEDNESDAY, MARCH 27

1:00 P.M. Meeting of the Governing Board of the Pan American
Union and luncheon at the Pan American Union
Building in honor of the President-elect.

1:00 P.M. Señora de Castro Beeche will give a luncheon at the
Shoreham Hotel in honor of Señora de Calderon Guardia.

3:00 P.M.

- 3:00 P.M. The President-elect and Señora de Calderón Guardia will visit Mount Vernon, where the President-elect will lay a wreath on Washington's Tomb. On their return to the capital, they will visit Arlington Cemetery and the Tomb of the Unknown Soldier.
- 8:00 P.M. The Minister of Nicaragua and Señora de De Bayle will give a dinner at the Carlton Hotel in honor of the President-elect and Señora de Calderón Guardia.

THURSDAY, MARCH 29

- 1:00 P.M. The International Medical Club will give a luncheon at the Mayflower Hotel in honor of the President-elect.
- 5:10 P.M. The President-elect and Señora de Calderón Guardia and their party, will leave Washington by train for Chicago. A committee will be at Union Station for their departure.

file personal

DEPARTMENT OF STATE
Assistant Secretary

State Dept

March 21, 1940

Visit of President-Elect of Costa Rica

MEMORANDUM FOR THE PRESIDENT

Attached, a letter to you outlining our present lack of problems in connection with Costa Rica. They may be summarized:

1. Costa Rica is democratic: free press and speech, good education, anti-totalitarian. Calderón Guardia was elected in a free election by 9 to 1 over his opponent, a Communist.
2. We are grateful for Costa Rican cooperation in granting free use of ports and territories to the neutral patrol.
3. You agreed with the President of Nicaragua on the construction of a barge canal along the San Juan River, not to be constructed until Nicaragua and Costa Rica reached an agreement covering the subject. Negotiations are going on; we hope they will be shortly concluded.
4. Costa Rica's Foreign Minister is President of the commission to settle the Honduras-Nicaraguan boundary dispute: we are grateful. -- Next informal meeting of the Boundary Commission is in April.
5. There has been talk of Costa Rica's expropriation of an American-owned light plant in San Jose. We hope full and just compensation will precede it: Costa Rican law so provides.
6. Costa Rican economy in good shape: exchange stable at 5.60 colones to the dollar; foreign debt 18 millions; dollar bonds formerly in default, modest payments being made. War shock and loss of coffee and banana markets cushioned in part by United Fruit capital investments.
7. Problem: the Panama disease and Sigatoka blight of banana trees. Experimental work: rubber plantation by Goodyear; the company proposes to encourage Costa Rican rubber planting.
8. Costa Rica is requesting \$500,000 Export-Import line of short-term credit to finance American exports; credit approved but has not been used, and not being needed.
9. Calderón Guardia is about 43: of Spanish lineage; is practising physician; wife, Belgian, speaking French and Spanish, no English. Was formerly president of the Costa Rican Legislature (one chamber). - First visit to the United States.

aab
A. A. Berle, Jr.

DEPARTMENT OF STATE
WASHINGTON

March 21, 1940

My dear Mr. President:

There has been no indication that the President-Elect of Costa Rica will have any specific questions of a political or financial nature to take up with you during his forthcoming visit. In fact, Dr. Calderón Guardia has informed our Chargé d'Affaires at San José that he has no particular problems to discuss and no favors to ask, but wishes his visit to be considered solely as an indication of his desire to become acquainted with you and other officials of this Government. In anticipation of informal conversations which you may have with Dr. Calderón Guardia, you may nevertheless wish to have before you a few general observations on certain matters of common interest.

As you doubtless know, Costa Rica has traditionally been an outstanding adherent of democratic ideals, with complete freedom of the press and speech, very high

educational

The President,

The White House.

educational standards and an intense aversion to totalitarian or despotic forms of government. Dr. Calderón Guardia was freely elected by a ratio of nine to one over his principal opponent, the candidate of the legally recognized Costa Rican Communist Party, and there is every reason to believe that during his four-year term of office he will be guided by the democratic principles to which his country is devoted. While Costa Rica is characterized by an unusually alert and frequently vociferous spirit of nationalism, it has been a faithful partisan of Panamericanism. Perhaps no other country in this hemisphere has been more genuinely enthusiastic in its reception of the Good Neighbor Policy.

In connection with the establishment of the neutrality patrol in the area near the Panama Canal, this Government requested the Central American governments to grant a general authorization for our naval vessels and military planes in case of need to use their ports and territories. Costa Rica granted the authorization promptly and wholeheartedly. You may wish to express to Dr. Calderón Guardia our appreciation of the cooperative attitude displayed by the Costa Rican Government in this and other current problems in which the American nations have a common interest.

interest.

Following your conversations in May 1939 with the President of Nicaragua on the subject of the construction of a barge canal along the route of the San Juan River, the Costa Rican Minister in Washington was informed that no concrete steps would be taken by this Government looking to actual construction of the canal, unless and until the Governments of Costa Rica and Nicaragua reached an agreement covering the project. Such negotiations have been carried on for some time but no agreement has been reached. While this Government has not been directly involved in the negotiations, if a suitable occasion should offer, you may wish to express our hope that an agreement satisfactory to both countries may soon be concluded.

The Costa Rican Minister for Foreign Affairs has been serving as President of the Commission of Good Offices in the Honduras-Nicaragua Boundary dispute, in which this Government and the Government of Venezuela are represented. While no meetings of the Commission have been held for about a year, the American member, Dr. Frank P. Corrigan, together with the representative of Venezuela, is proceeding to San José next April for

an

an informal meeting. Costa Rica's participation in this mediation effort has been highly appreciated, and we hope that it will continue under the administration of Dr. Calderón Guardia.

Although there has been no agitation in Costa Rica for general expropriation of foreign-owned properties, there has been some talk of expropriating the American-owned light plant in San José as a result of a dispute with the municipality over rates and other matters. While we are hopeful that the dispute will be settled amicably, we are confident that expropriation, if effected, would be preceded by full and just compensation, in accordance with Costa Rican law. There has been no indication that the Costa Rican Government would in any event proceed otherwise.

Costa Rican economy has so far suffered less from the world-wide disturbance in normal trade channels than might have been expected when one considers the extent of its dependence on exports of coffee. Exchange has been stable for several years at colones 5.60 to one dollar and governmental revenues have tended to increase. The total foreign debt amounts to approximately \$18,000,000. The internal debt is some \$5,000,000. After several years

of

of default on its dollar bonds, the Government is now making a modest payment on the interest on its foreign debt, accompanied by limited amortization of its dollar bonds through open market purchases. Large capital expenditures by the United Fruit Company in new banana developments on the Pacific coast of Costa Rica have materially aided the country in cushioning the shocks of depressed conditions in the European coffee market and the falling off of banana production in the Atlantic coast area, due to ravages of the Panama disease and the Sigatoka blight. One of the most interesting developments in Costa Rica is believed to be the establishment of plantations of high-yielding, disease-resistant, Hevea rubber by the Goodyear Rubber Plantations, Limited. The company plans to encourage Costa Ricans to plant rubber as soon as it is satisfied that it will be an economically sound undertaking. Relations between the Goodyear Company and the Costa Rican Government are believed to be excellent.

The Costa Rican delegates to the recent neutrality conference at Panama approached our representative with a proposal to establish a \$500,000 line of credit by the Export-Import Bank with the Government-owned National Bank of Costa Rica for the purpose of financing American exports

exports on a short-term basis. The credit was approved in view of the sound condition of the National Bank and Government credit, but it does not appear that it will be availed of. As far as can be ascertained, the Costa Rican Government does not at present intend to request any Export-Import Bank credits.

Dr. Calderón Guardia (who is customarily called by his full name) is in his early forties, born in Costa Rica of Spanish lineage. He studied medicine in Belgium and is a practicing physician. He and his Belgian wife speak French and Spanish but little or no English. It is understood that this is his first visit to the United States. His most important previous position was that of President of the Costa Rican unicameral legislature. From what I am informed, I believe that the Calderón Guardias will prove to be very personable and pleasing guests.

I shall be glad to furnish any additional information on Costa Rican affairs which you desire.

Faithfully yours,

Cordell Hall

DEPARTMENT OF STATE

DIVISION OF PROTOCOL

March 19, 1940.

General Watson:

Please let me know whether the President approves this program and whether he wishes to give it out at the White House or from the State Department.

G. T. Summerlin
G. T. Summerlin

D R A F T

PROGRAM

VISIT OF THE PRESIDENT-ELECT OF COSTA RICA
WASHINGTON, MARCH 25 to 28, 1940

Members of the official party:

His Excellency Dr. Rafael A. Calderón Guardia
The President-elect of Costa Rica

Señora de Calderón Guardia

Señor Jorge Hine
Second Designate to the Presidency

Señor Don Alfredo Volio
Member of Congress

Señor Luis Demetrio Tinoco, Jr.
Secretary to the President-elect

Señora de Tinoco

Señor Victor Manuel Yglesias
Secretary to the President-elect

MONDAY, MARCH 25

4:25 P.M.

The President-elect of Costa Rica and Señora de Calderón Guardia will arrive at Union Station, Washington. They will be escorted through a double line of sailors and marines by the Chief of Protocol and the Costa Rican Minister and Señora de Castro Beeche to the President's Reception Room, where they will be received by the Secretary and Mrs. Hull of State, and the members of the American Reception Committee, who will be:

11:00 P.M. The President and Mrs. Roosevelt will give a dinner
at the White House.
The Secretary of State
and Mrs. Hull
Brigadier General Edwin M. Watson, U.S.A.
Representing the President
Assistant Secretary of State
and Mrs. Adolf A. Berle
12:00 A.M. The President-elect and Señora de Calderón Guardia
Rear Admiral George Pettengill, U.S.N.
Commandant of the Navy Yard
Brigadier General Maxwell Murray, U.S.A.
Commanding, Washington Provisional Brigade
Dr. Leo S. Rowe
Director General, Pan American Union
The Chief of the Division of the American
Republics and Mrs. Laurence Duggan
1:00 P.M. The Assistant Chief of the Division of the
American Republics and Mrs. Ellis C. Briggs
The Assistant Chief of the Division of Protocol
3:00 P.M. Mr. Gerald A. Drew, Department of State,
and Mrs. Drew
and Mrs. Hull
After presentations the Secretary of State will
escort the President-elect and Señora de Calderón
Guardia to their automobile drawn up in front of
the station. Before entering their car, the United
States Army Band will play the Costa Rican and American
National Anthems.
1:00 P.M. From the station there will be a procession with
motorcycle police escort to the White House.
5:00 P.M. The procession will arrive at the White House. The
President-elect and Señora de Calderón Guardia will
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The other members of their party will proceed to the
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8:00 P.M. The President and Mrs. Roosevelt will give a dinner at the White House in honor of the President-elect and Señora de Calderón Guardia.

TUESDAY, MARCH 26.

10:30 A.M. The President-elect and Señora de Calderón Guardia will leave the White House for a visit to the Capitol and to the Lincoln Memorial. They will then proceed to the Mayflower Hotel, where they will stay during the rest of their visit to Washington.

1:00 P.M. The Secretary of State and Mrs. Hull will give a luncheon at the Carlton Hotel in honor of the President-elect and Señora de Calderón Guardia.

5:00 P.M. The Minister of Costa Rica and Señora de Castro Beeche will hold a reception at the Mayflower Hotel in honor of the President-elect and Señora de Calderón Guardia.

WEDNESDAY, MARCH 27.

1:00 P.M. Meeting of the Governing Board of the Pan American Union and luncheon at the Pan American Union Building in honor of the President-elect.

1:00 P.M. Señora de Castro Beeche will give a luncheon at the Shoreham Hotel in honor of Señora de Calderón Guardia.

3:00 P.M. The President-elect and Señora de Calderón Guardia will visit Mount Vernon, where the President-elect will lay a wreath on Washington's Tomb. On their return to the capital, they will visit Arlington Cemetery and the Tomb of the Unknown Soldier.

8:00 P.M. The Minister of Nicaragua and Señora de De Bayle will give a dinner at the Carlton Hotel in honor of the President-elect and Señora de Calderón Guardia.

THURSDAY, MARCH 28

1:00 P.M. The Pan American Medical Center and the International Medical Club will give a luncheon in honor of the President-elect.

5:10 P.M. The President-elect and Señora de Calderón Guardia, and their party, will leave Washington by train for Chicago. A committee will be at Union Station for their departure.

DEPARTMENT OF STATE

DIVISION OF PROTOCOL

File
MEMORANDUM

March 30, 1940.

The White House.
General Watson.

The President-elect of Costa Rica, Dr. Rafael A. Calderón Guardia, is expected to arrive by rail from New York on Monday, March 25, 1940, at 4:25 p.m.

It would be greatly appreciated if you could welcome the President-elect and his party in the state suite at Union Station, and escort them to the White House.

Other members of the Reception Committee will be:

The Secretary of State
and Mrs. Hull

The Assistant Secretary of State
and Mrs. Berle

The Chief of the Division of the American
Republics and Mrs. Duggan

The Commandant of the Navy Yard

The Commanding Officer of the Washington
Provisional Brigade

The Director General of the Pan American Union

The Assistant Chief of the Division of the
American Republics and Mrs. Briggs

The Assistant Chief of the Division of Protocol

~~Mr.~~ and Mrs. Gerald A. Drew

Service

Service uniform would be appropriate for the occasion. Further details of the program will be published later. Please be at the station not later than 4:10 p.m.

PR:SW:MEM

*file
personal*

State

Budapest, March 26, 1940.

Dear Mr. President:

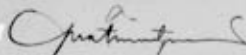
(His Excellency) Dr. Tibor Eckhardt, the former leader of the Independent Farmers' Party, is sailing to America on April 6 on the MANHATTAN to deliver some lectures under the auspices of the Carnegie Foundation and the Foreign Policy Association.

Dr. Eckhardt expects to be in Washington and is very hopeful that he will have the privilege of meeting you. I feel certain that should you receive him you will find him a most interesting and intelligent person with a great knowledge of European affairs and many interesting ideas. Dr. Eckhardt is not in politics at the present moment because of his pronounced anti-German attitude which compelled his temporary retirement. This doesn't mean, however, that he is without influence or that he is not consulted in everything that is important.

Incidentally, Dr. Eckhardt has always been extremely helpful to the Legation and an extravagant admirer of you. One of the principal reasons he is coming to America is to familiarize himself with what has taken place during your administration, particularly in regard to agriculture.

With warmest regards,

Yours most cordially,


John F. Montgomery.

The President,

The White House.

Letter from George T. Summerlin

April 5, 1940.

Encloses despatch from Myron Taylor transmitting a copy of a letter from Cardinal Maglione and gift of two copies of Annuario Pontificio--parchment bound copy for the President and the other one for Secretary of State.

Mr. Taylor was requested to convey to the Cardinal an appropriate expression of the President's appreciation for the gift.

The following letters were attached to the book and sent to the White House: *(not part of papers)*
Letter to Sec of State from Myron Taylor-March 8, 1940 re Annuario Pontificio (Pontifical Year Book) which was forwarded by the Cardinal to Taylor together with his letter dated Feb. 29, 1940.